

**OPPORTUNITIES INDUSTRIALIZATION
CENTER OF OUACHITA, INCORPORATED
MONROE, LOUISIANA**

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
WITH SUPPLEMENTAL INFORMATION
As of and for the Year Ended June 30, 2021**

BY

**ROSIE D. HARPER
CERTIFIED PUBLIC ACCOUNTANT, LLP**

**300 WASHINGTON STREET SUITE 104 • MONROE, LOUISIANA 71201
OFFICE (318) 387-8008 FAX (318) 387-0806**

**OPPORTUNITIES INDUSTRIALIZATION CENTER OF
OUACHITA, INCORPORATED**
MONROE, LOUISIANA

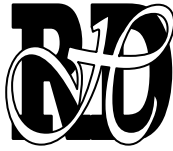
**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
WITH SUPPLEMENTAL INFORMATION
As of and for the Year Ended June 30, 2021**

**OPPORTUNITIES INDUSTRIALIZATION CENTER OF
OUACHITA, INCORPORATED
Monroe, Louisiana**

**Financial Statements
and Independent Auditor's Report
with Supplemental Information
As of and for the Year Ended June 30, 2021**

CONTENTS

	<u>STATEMENTS</u>	<u>PAGE NO.</u>
Independent Auditor's Report		1-2
Financial Statements		
Statement of Financial Position	A	4
Statement of Activities	B	5
Statement of Cash Flows	C	6
Statement of Functional Expenses	D	7
Notes to the Financial Statements		8-15
Independent Auditor's Report On Internal Control Over Financial Reporting and on Compliance and Other Matters Based On An Audit Of Financial Statements Performed In Accordance With <i>Government Auditing Standards</i>		16-17
Supplemental Information:		
Schedule of Assets, Liabilities, and Net Assets		19
Schedule of Support, Revenue, Expenses, and Changes In Net Assets		20
Schedule of Cash Flows		21
Schedule of Expenses		22
Schedule of Activities-Budget to Actual (General)		23
Schedule of Activities-Budget to Actual (MHA)		24
Schedule of Activities-Budget to Actual (United Way)		25
Schedule of Activities Budget to Actual (Workforce)		26
Schedule of Activities Budget to Actual (State Treasury)		27
Schedule of Board Members		28
Schedule of Compensation-Key Management		29



ROSIE D. HARPER

Certified Public Accountant, LLP

300 Washington Street Suite 104 • Monroe, Louisiana 71201

Phone: (318) 387-8008 • Fax: (318) 387-0806

Independent Auditor's Report

To the Board of Directors of
Opportunities Industrialization Center of Ouachita, Incorporated

Report on the Financial Statements

I have audited the accompanying financial statements of Opportunities Industrialization Center of Ouachita, Incorporated (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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 I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Industrialization Center of Ouachita, Incorporated
Independent Auditor's Report (Continued)**

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Opportunities Industrialization Center of Ouachita, Incorporated as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information in Schedules 1 through 10 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my 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*, I have also issued my report dated March 29, 2022 on my consideration of Opportunities Industrialization Center of Ouachita, Incorporated's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my 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 Opportunities Industrialization Center of Ouachita, Incorporated'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 Opportunities Industrialization Center of Ouachita, Incorporated's internal control over financial reporting and compliance.



Rosie D. Harper
Certified Public Accountant

Monroe, Louisiana
March 29, 2022

FINANCIAL STATEMENTS

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Statement of Financial Position
For the Year Ended
June 30, 2021

Assets

Cash and Cash Equivalents	\$ 94,991
Accounts Receivable	170
Grant Receivable	138,056
Security Deposit	580
Property, Plant & Equipment (Net, Note J)	<u>71,100</u>
Total Assets	<u><u>304,897</u></u>

Liabilities and Net Assets

Liabilities:

Deferred Revenue	100,750
Paycheck Protection Fund	45,045
Accrued Liabilities	<u>63,570</u>
Total Liabilities	<u>209,365</u>

Net Assets:

Without Donor Restrictions:

Net Investment in Fixed Assets	71,100
Operating	<u>24,432</u>
Total Net Assets Without Donor Restrictions	95,532

With Donor Restrictions

	<u>-</u>
Total Net Assets	<u>95,532</u>

Total Liabilities and Net Assets	<u><u>\$ 304,897</u></u>
----------------------------------	--------------------------

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Statement of Activities
For the Year Ended
June 30, 2021

CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS

Revenues and Gains

Student Fees	\$ 63
Other Revenues	10,939
In-Kind Contributions	131,072
TOTAL REVENUES AND GAINS WITHOUT DONOR RESTRICTIONS	142,074

Net Assets Released from Restrictions

Restrictions Satisfied by Payments	341,815
TOTAL REVENUES, GAINS AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS	483,889

Expenses

Program Expenses	345,791
General and Administrative Expenses	136,276
Total Expenses	482,067
INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	1,822

CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS

Grants

Local	24,890
Federal	83,897
State	228,315
Other Grants	2,891
TOTAL REVENUES AND GAINS WITH DONOR RESTRICTIONS	339,993

Net Assets Released from Restrictions

Restrictions Satisfied by Payments	(341,815)
DECREASE IN NET ASSETS WITH DONOR RESTRICTIONS	(1,822)

CHANGES IN NET ASSETS

NET ASSETS AT THE BEGINNING OF THE YEAR	95,532
NET ASSETS AT THE END OF THE YEAR	\$ 95,532

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Statement of Cash Flows
For the Year Ended
June 30, 2021

Operating Activities	<u>All Funds</u>
Change in Net Assets	\$ -
Adjustments to Reconcile Change in Net Assets to Net	
Cash Provided by Operating Activities:	
Provision for Depreciation	4,122
Increase in Grants Receivable	(97,008)
Increase in Accounts Payable/Accrued Liabilities	49,903
Increase in Deferred Revenue	<u>56,118</u>
Total Adjustments	<u>13,135</u>
Net Cash Provided by Operating Activities	<u>13,135</u>
Net Increase in Cash and Cash Equivalents	<u>13,135</u>
Cash and Cash Equivalents as of the Beginning of Year	<u>81,856</u>
Cash and Cash Equivalents as of the End of Year	<u><u>\$ 94,991</u></u>
Supplemental Information:	
Interest Paid	<u><u>\$ 17</u></u>

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Statement of Functional Expenses
For the Year Ended
June 30, 2021

	<u>Support Activities</u>		<u>Total Expenses</u>
	<u>Program Services</u>	<u>General and Administrative</u>	
Personnel Costs			
Salaries and Wages	\$ 175,357	\$ 64,652	\$ 240,009
Payroll Taxes and Other Fringe Benefits	26,426	10,042	36,468
Total Personnel Costs	201,783	74,694	276,477
Other Expenses			
Bank Service Charges	-	95	95
Custodial	-	756	756
Depreciation Expense	2,927	1,195	4,122
Dues and Subscriptions	-	1,000	1,000
Equipment Purchase	3,736	1,526	5,262
Equipment Rental	-	385	385
Graduation Costs	1,902	-	1,902
In-kind Lease Expense	93,061	38,011	131,072
Insurance	3,853	1,574	5,427
Interest Expense	-	17	17
Office Supplies	581	237	818
Other Expenses	3,044	805	3,849
Postage	163	67	230
Professional Fees	-	5,391	5,391
Repairs and Maintenance	10,161	4,150	14,311
Telephone/Internet	6,703	2,737	9,440
Training	8,978	-	8,978
Travel	501	205	706
Utilities	8,398	3,431	11,829
Total Other Expenses	144,008	61,582	205,590
Total Functional Expenses	\$ 345,791	\$ 136,276	\$ 482,067

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

**Opportunities Industrialization Center of Ouachita, Incorporated
Monroe, Louisiana**

**Notes to the Financial Statements
As of and For the Year Ended June 30, 2021**

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Opportunities Industrialization Center of Ouachita, Incorporated is a private non-profit organization domiciled in Monroe, Louisiana. The Organization was chartered by the State of Louisiana on March 10, 1975. The Organization is recognized as a tax exempt (non-profit) organization under section 501 (c) (3) of the Internal Revenue Service Code. The Organization is supported primarily through state and private grants, contributions, and donations from the public, and fundraisers. The objective of the Organization is primarily to provide services to train the unemployed for jobs in the industries of Northeast Louisiana. The Organization is governed by a Board of Directors consisting of eight (8) members, which receive no compensation.

Method of Accounting

The financial statements have been prepared on the accrual method of accounting and in conformity with the standards promulgated by the American Institute of Certified Public Accountants in its *Audit and Accounting Guide for Not-for-Profit Organizations*.

Basis of Presentation

The financial statements have been prepared in accordance with U.S generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization and the board of directors.

Net Assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Public Support and Revenue

In order to comply with restrictions that donors place on grants and other gifts as well as designations made by its governing board, the principles of reporting net assets are used. Revenue and public support consist mainly of membership dues, fundraising, and contributions. Contributions of cash and other assets are reported as net assets with donor restrictions if they are received with donor restrictions or restrictions designated by the governing board. Contributions are considered to be without restrictions unless restricted by the donor and are reported as net assets without donor restrictions.

Opportunities Industrialization Center of Ouachita, Incorporated
Notes to Financial Statements (Continued)

Depreciation

The Organization follows the practice of capitalizing, at cost, all expenditures for fixed assets in excess of \$5,000. Depreciation is computed on a straight-line basis over the useful lives of the assets generally as follows:

Building and improvements	30 years
Furniture and equipment	7 years

Income Taxes

Opportunities Industrialization Center of Ouachita, Incorporated is exempt from federal income taxes under Section 501 (c) (3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Organization, and has concluded that as of March 29, 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by Internal Revenue Service for the years ended June 30, 2019, 2020, and 2021; however, there are currently no audits for any tax period in progress.

Advertising

The Organization expenses advertising costs as they are incurred. For the year ended June 30, 2021, there was no advertising expense.

Estimates

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

Cash and Cash Equivalents

The Organization considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents. Under state law, the agency may deposit funds in demand accounts, interest bearing accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. The Organization had no cash equivalents during the audit period. On June 30, 2021, the Organization had cash totaling \$94,991 as follows:

Unrestricted	\$ 94,991
Total Cash	<u>\$ 94,991</u>

Opportunities Industrialization Center of Ouachita, Incorporated **Notes to Financial Statements (Continued)**

Fair Value of Financial Instruments

The carrying amounts of cash, cash equivalents, investments, and notes payable are reported in the statement of financial position at approximate fair values because of the short maturity of those instruments.

Recent Accounting Pronouncements -Not Yet Adopted

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. This ASU requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. The FASB issued the update in an effort to improve transparency in reporting nonprofit gifts-in-kind. The FASB requires the new standard to be applied retrospectively, with amendments taking effect for the Organization's year ended June 30, 2022. Management is currently assessing the impact of this pronouncement on its financial statements.

In January 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. ASU 2016-02 requires that a lessee recognize the assets and liabilities that arise from leases classified as finance or operating. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. In transition, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. ASU 2016-02 is effective for the Organization's year ended June 30, 2023. Management is currently assessing the impact this pronouncement on its financial statements.

Revenues, Grants, and Other Support

Federal and Other State Grants

Federal and other state grants are generally on a cost reimbursement basis. An accrual is made when eligible expenses are incurred. Revenues from federal and other state grants are recorded when the Organization has a right to reimbursement under the related grant, generally corresponding to the incurring of grant-related expenses by the Organization, or when earned under the terms of the grant.

Contributions

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional contributions are not recognized until the conditions on which they depend have been substantially met. Contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions. Donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities and changes in net assets as net assets released from restrictions.

Opportunities Industrialization Center of Ouachita, Incorporated
Notes to Financial Statements (Continued)

Deferred Revenue

The Organization follows the deferred method of revenue recognition. Under the deferred method, grants and other revenue received during the year for expenses to be incurred in the following year are recorded as deferred revenue.

Total Columns

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position results of operations and changes in net assets in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

NOTE B. PENSION PLAN

The Organization does not have a retirement program for its employees and the employees are not members of the State of Louisiana Retirement System. All employees of the Organization are members of the Social Security System. In addition to the employees' contribution, the agency contributes 7.65 percent to the Social Security System. Contributions to the Social Security System for the year ended June 30, 2021 was \$18,612. The Organization does not guarantee the benefits granted by the Social Security System.

NOTE C. IN-KIND OPERATING LEASE

The Organization follows standards relating to contributions received and contributions made as consistent with the FASB Codification which requires both contributed services and assets to be valued at fair value on the date of the receipt. The Organization has an in-kind operating lease as follows:

<u>Years Left in</u> <u>Lease</u>	<u>Education & Office</u> <u>Facilities</u>	<u>Location</u>
7.25	\$ -	Richwood, Louisiana

Management estimates the in-kind annual value of the lease to be \$131,072 based upon the price that would be paid to rent a comparable facility. The leased building and office facility in Richwood, Louisiana are located at the former Richwood High School. The land and building are owned by the Ouachita Parish School Board and subleased to the Town of Richwood. On October 25, 2007, the Organization renewed its lease for twenty-two (22) years for zero (\$0.00) dollars per month with an option to renew for an additional twenty-five (25) years at zero (\$0.00) dollars per month. At the end of the lease, the facility in Richwood will revert back to the owners.

NOTE D. GRANT RECEIVABLES

At June 30, 2021, the Organization had grant receivables as follows:

Workforce	\$ 120,000
Monroe Housing Authority	5,286
State Treasury	12,770
Total	<u>\$ 138,056</u>

Opportunities Industrialization Center of Ouachita, Incorporated
Notes to Financial Statements (Continued)

NOTE E. FUNCTIONAL ALLOCATION OF EXPENSES

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

NOTE F. COMPENSATED ABSENCES

Compensated absences are absences for which employees will be paid, such as vacation, and/or sick leave. The Organization has a formal policy for accumulation and vesting of vacation, annual leave, and sick leave which is based on the length of service. The days that are granted are included in annual salaries. Vacation days not taken during the current year are carried forward, however, should an employee leave or be terminated from the Organization they will be paid for up to ten (10) days only of accumulated annual leave days. For the year ended June 30, 2021, the total amount for accumulated days for compensated absences was \$6,320. Cost for compensated absences is recognized in the pay period taken by employees.

NOTE G. DEFERRED REVENUE

At June 30, 2021, the Organization had deferred revenue totaling \$100,750 consisting of the following:

General Fund	\$ 19,188
Monroe Housing Authority (MHA)	8,314
United Way (UW)	31,563
Workforce	41,685
Total	<u>\$ 100,750</u>

NOTE H. PAYCHECK PROTECTION PROGRAM (PPP) LOAN

During the year ended June 30, 2021, the Organization applied for and was approved for a \$45,045 loan under the Paycheck Protection Program (PPP) administered by the Small Business Administration as part of the relief efforts related to the coronavirus outbreak. The Organization was eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The loan was uncollateralized. The Organization recognized \$45,045 of the loan as federal grant income, which was recorded on the statement of financial position for the year ended June 30, 2021. The Organization received notice of forgiveness in the full amount of the loan during January 2022.

NOTE I. ACCRUED LIABILITIES

At June 30, 2021, the Organization had accrued liabilities totaling \$63,570 consisting of the following:

Accrued Liabilities	\$ 9,919
Loan from Executive Director	48,500
Payroll Liabilities	5,151
Total	<u>\$ 63,570</u>

Opportunities Industrialization Center of Ouachita, Incorporated
Notes to Financial Statements (Continued)

NOTE J. PROPERTY, PLANT AND EQUIPMENT

For the period ended June 30, 2021, the Organization had net property, plant and equipment totaling \$71,100. The following schedule reflects the balances in property, plant, and equipment at June 30, 2021:

	7/1/2020	Additions	Deletions	6/30/2021
Depreciable Assets				
Building	\$ 65,000	\$ -	\$ -	\$ 65,000
Furniture & Equipment	141,369	-	-	141,369
Leasehold Improvement in Progress	55,266	-	-	55,266
Total Depreciable Assets	261,635	-	-	261,635
Less Accumulated Depreciation				
Depreciation	(191,413)	(4,122)	-	(195,535)
Total Accumuated Depreciation	(191,413)	(4,122)	-	(195,535)
Net Depreciable Assets	70,222	(4,122)	-	66,100
Other Property & Equipment				
Land	5,000	-	-	5,000
Net Property, Plant, & Equipment	\$ 75,222	\$ (4,122)	\$ -	\$ 71,100

NOTE K. BUDGET PRACTICES

The Organization prepares an annual budget that is approved by the Board of Directors. As a result, “budget to actual” comparative statements are presented as supplemental information.

NOTE L. COMMITMENTS

On March 20, 2008, the Organization entered into a cooperative endeavor with the State of Louisiana Office of Facility Planning and Control of the Division of Administration for the construction of a new technical center, which will be located on the campus of the current Richwood site. The new technical center will be utilized to expand educational and vocational training opportunities benefiting individuals with low to no income levels. The total project is estimated to cost \$4,285,000 over a five-year period. As of June 30, 2021, \$55,266 has been expended as follows:

Year	Amount Expended
2008	\$ 13,815
2009	41,451
Total	\$ 55,266

NOTE M. LIQUIDITY MANAGEMENT

As of June 30, 2021, the following financial assets could be made readily available within one year of the statement of financial position date to meet general expenditures:

Opportunities Industrialization Center of Ouachita, Incorporated
Notes to Financial Statements (Continued)

NOTE M. LIQUIDITY MANAGEMENT (Continued)

Cash	\$ 94,991
Accounts Receivable	170
Grants Receivable	138,056
Total	<u>\$ 233,217</u>

As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due.

NOTE N. INTERFUND RECEIVABLES AND PAYABLES

The statement of Financial Position focuses on the Organization as a whole. Therefore, interfund receivables (“Due From”) and interfund liabilities (“Due To”) are eliminated from the financial statements because they are not assets or liabilities of the Organization as a whole. However, the Organization maintained separate funds to account for activities within those funds; interfund liabilities and receivables are recognized at the fund level. The Organization maintained the following funds for the period ending June 30, 2021:

General Fund

All assets over which the Board of Directors has discretionary control have been included in the General Fund.

MHA Fund

The MHA Fund is used to account for a grant from the Monroe Housing Authority. The grant provides funding for an after-school tutorial program.

United Way Fund

The United Way Fund is used to account for a grant from United Way of Northeast Louisiana. The grant provides funding for the I CAN Tutorial Program, a career training program, and a community initiative financial literacy program.

WIB Fund

The WIB Fund is to account for a grant from United States Department of Labor under the Workforce Investment Act Passed through the Ouachita Parish Police Jury. The funds are used for the purpose of providing job training to welfare recipients to facilitate the transition into the workforce.

State Treasury Fund

The State Treasury Fund is used to account for a state grant from Louisiana Community College. It provides funding for the provision of services in professional development training (pre-employability skills), high school secondary education tests literacy elevation, job skills, counseling, job search and placement assistance for low to moderate income clients who are disadvantaged, unemployed, and/or underemployed.

Opportunities Industrialization Center of Ouachita, Incorporated
Notes to Financial Statements (Continued)

NOTE N. INTERFUND RECEIVABLES AND PAYABLES (Continued)

SBA Fund

The SBA Fund is used to account for a grant from the Small Business Administration (SBA). The grant provided eligible small businesses and nonprofit organizations with loans to help keep their workforce employed during the Coronavirus (Covid-19) crisis. In January of 2022, the loan was forgiven and recognized as grant income by the Organization.

The Organization had the following balances in its interfund accounts for the period ended June 30, 2021:

	Due From	Due To
General Fund		
United Way Fund	\$ -	\$ 31,700
MHA Fund	11,078	17,302
Workforce Fund	29,357	-
State Treasury	12,770	-
Total General Fund	<u>53,205</u>	<u>49,002</u>
MHA Fund		
General Fund	17,302	11,078
Total MHA Fund	<u>17,302</u>	<u>11,078</u>
United Way Fund		
General Fund	31,700	-
Total United Way Fund	<u>31,700</u>	<u>-</u>
Workforce Fund		
General Fund	-	29,357
Total Workforce Fund	<u>-</u>	<u>29,357</u>
State Treasury Fund		
General Fund	-	12,770
Total State Treasury Fund	<u>-</u>	<u>12,770</u>
Total Interfund Transactions	<u>\$ 102,207</u>	<u>\$ 102,207</u>

NOTE O. RELATED PARTY TRANSACTION

For the year ended June 30, 2021, the Organization had to reapply for a credit line. To meet the short-term cash flow need, the executive director loaned \$48,500 to the Organization.

NOTE P. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through March 29, 2022, the date which the financial statements were available to be issued and determined that the following events requires disclosure:

In January of 2022, the Organization received notification from the SBA that the entire loan balance of the PPP Loan for \$ 45,045 has been forgiven.



ROSIE D. HARPER

Certified Public Accountant, LLP

300 Washington Street Suite 104 • Monroe, Louisiana 71201

Phone: (318) 387-8008 • Fax: (318) 387-0806

Independent Auditor's Report On Internal Control Over Financial Reporting and on Compliance and Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*

To: The Board of Directors
Opportunities Industrialization Center of Ouachita, Incorporated

I 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 Opportunities Industrialization Center of Ouachita, Incorporated (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated March 29, 2022.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Opportunities Industrialization Center of Ouachita, Incorporated's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Opportunities Industrialization Center of Ouachita, Incorporated's internal control. Accordingly, I do not express an opinion on the effectiveness of the Opportunities Industrialization Center of Ouachita, Incorporated's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Independent Auditor's Report On Internal Control Over Financial Reporting and on Compliance and Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards* (Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Opportunities Industrialization Center of Ouachita, Incorporated's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 my 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.



Rosie D. Harper
Certified Public Accountant

Monroe, Louisiana
March 29, 2022

SUPPLEMENTAL INFORMATION

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
 Schedule of Assets, Liabilities, and Net Assets
 For the Year Ended
 June 30, 2021

Assets	Without Donor Restrictions	With Donor Restrictions						Total All
	General	MHA	United Way	Workforce	SBA	State Treasury	Total	Funds
Cash and Cash Equivalents	\$ 94,991	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,991
Accounts Receivables	170	-	-	-	-	-	-	170
Grants Receivables	-	5,286	-	120,000	-	12,770	138,056	138,056
Security Deposit	580	-	-	-	-	-	-	580
Due from Other Funds	53,205	17,302	31,700	-	-	-	49,002	102,207
Property, Plant & Equipment (Net)	71,100	-	-	-	-	-	-	71,100
Total Assets	220,046	22,588	31,700	120,000	-	12,770	187,058	407,104
Liabilities and Net Assets								
Liabilities:								
Deferred Revenue	19,188	8,314	31,563	41,685	-	-	81,562	100,750
Accrued Liabilities	11,279	3,196	137	48,958	-	-	52,291	63,570
Payroll Protection Fund	45,045	-	-	-	-	-	-	45,045
Due to Other Funds	49,002	11,078	-	29,357	-	12,770	53,205	102,207
Total Liabilities	124,514	22,588	31,700	120,000	-	12,770	187,058	311,572
Net Assets:								
Without Donor Restrictions:								
Net Investment in Fixed Assets	71,100	-	-	-	-	-	-	71,100
Operating	24,432	-	-	-	-	-	-	24,432
Total Without Donor Restrictions	95,532	-	-	-	-	-	-	95,532
With Donor Restrictions	-	-	-	-	-	-	-	-
Total Net Assets	95,532	-	-	-	-	-	-	95,532
Total Liabilities and Net Assets	\$ 220,046	\$ 22,588	\$ 31,700	\$ 120,000	\$ -	\$ 12,770	\$ 187,058	\$ 407,104

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Schedule of Support, Revenue, Expenses, and Changes in Net Assets
For the Year Ended
June 30, 2021

Schedule 2

	Without Donor Restrictions	With Donor Restrictions					Total All	
	General	MHA	United Way	Workforce	SBA	State Treasury	Total	Funds
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS								
Revenues and Gains								
Student Fees	\$ 63	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63
Other Revenues	9,117	1,319	-	-	503	-	1,822	10,939
In-kind Contributions	131,072	-	-	-	-	-	-	131,072
TOTAL REVENUES AND GAINS WITHOUT DONOR RESTRICTIONS	140,252	1,319	-	-	503	-	1,822	142,074
Net Assets Released from Restrictions								
Restrictions Satisfied by Payments	341,815	-	-	-	-	-	-	341,815
TOTAL REVENUES, GAINS AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS	482,067	1,319	-	-	503	-	1,822	483,889
Expenses								
Program Expense	345,791	-	-	-	-	-	-	345,791
General and Administrative Expenses	136,276	-	-	-	-	-	-	136,276
Total Expenses	482,067	-	-	-	-	-	-	482,067
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	-	1,319	-	-	503	-	1,822	1,822
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS								
Revenues and Gains								
Local	-	-	24,890	-	-	-	24,890	24,890
Federal	-	38,852	-	-	45,045	-	83,897	83,897
State	-	-	-	78,315	-	150,000	228,315	228,315
Other Grants	-	2,891	-	-	-	-	2,891	2,891
TOTAL REVENUES AND GAINS WITH DONOR RESTRICTIONS	-	41,743	24,890	78,315	45,045	150,000	339,993	339,993
Net Assets Released from Restrictions								
Restrictions Satisfied by Payments	-	(43,062)	(24,890)	(78,315)	(45,548)	(150,000)	(341,815)	(341,815)
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	-	(1,319)	-	-	(503)	-	(1,822)	(1,822)
INCREASE (DECREASE) IN NET ASSETS	-	-	-	-	-	-	-	-
NET ASSETS AT THE BEGINNING OF THE YEAR	95,532	-	-	-	-	-	-	95,532
NET ASSETS AT THE END OF THE YEAR	\$ 95,532	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,532

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Schedule of Cash Flows
For the Year Ended
June 30, 2021

	Without Donor Restrictions	With Donor Restrictions					Total All	
	General	MHA	United Way	Workforce	SBA	State Treasury	Total	Funds
Operating Activities								
Change in Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:								
Provision for Depreciation	4,122	-	-	-	-	-	-	4,122
Decrease (Increase) in Grants Receivable/Other Receivables	-	(5,286)	20,945	(99,897)	-	(12,770)	(97,008)	(97,008)
Decrease (Increase) in Due from Other Funds	(4,673)	(8,998)	(15,523)	-	-	-	(24,521)	(29,194)
Increase (Decrease) in Accounts Payable/Accrued Liabilities	1,206	3,196	(2,719)	48,220	-	-	48,697	49,903
Increase (Decrease) in Deferred Revenue	(963)	10	15,386	41,685	-	-	57,081	56,118
Increase (Decrease) in Due to Other Funds	24,521	-	(18,089)	9,992	-	12,770	4,673	29,194
Total Adjustments	24,213	(11,078)	-	-	-	-	(11,078)	13,135
Net Cash Provided (Used) by Operating Activities	24,213	(11,078)	-	-	-	-	(11,078)	13,135
Net Increase (Decrease) in Cash and Cash Equivalents	24,213	(11,078)	-	-	-	-	(11,078)	13,135
Cash and Cash Equivalents as of Beginning of Year	70,778	11,078	-	-	-	-	11,078	81,856
Cash and Cash Equivalents as of the End of Year	\$ 94,991	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,991
Supplemental Information:								
Interest Paid	\$ 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
 Schedule of Expenses
 For the Year Ended
 June 30, 2021

	Without Donor Restrictions	Net Assets With Donor Restrictions Released From Restrictions						Total All Funds
	General	United				State Treasury	Total	
		MHA	Way	Workforce	SBA			
General & Administrative								
Personnel Costs								
Salaries and Wages	\$ -	\$ 10,318	\$ -	\$ 14,503	\$ 12,304	\$ 27,527	\$ 64,652	\$ 64,652
Payroll Taxes and Other Fringe Benefits	515	939	-	1,593	905	6,090	9,527	10,042
Total Personnel Costs	515	11,257	-	16,096	13,209	33,617	74,179	74,694
Other Expenses								
Bank Service Charges	95	-	-	-	-	-	-	95
Custodial	-	-	-	756	-	-	756	756
Depreciation Expense	1,195	-	-	-	-	-	-	1,195
Dues and Subscriptions	-	-	-	1,000	-	-	1,000	1,000
Equipment Purchase	-	-	-	204	-	1,322	1,526	1,526
Equipment Rental	-	-	-	1	-	384	385	385
Insurance	-	-	-	54	-	1,520	1,574	1,574
In-Kind Lease Expense	38,011	-	-	-	-	-	-	38,011
Interest Expense	17	-	-	-	-	-	-	17
Office Supplies	-	-	-	237	-	-	237	237
Other Administrative Expenses	805	-	-	-	-	-	-	805
Postage	-	-	-	67	-	-	67	67
Professional Fees	-	-	-	5,391	-	-	5,391	5,391
Repairs and Maintenance	115	-	-	1,727	-	2,308	4,035	4,150
Telephone/Internet	-	-	-	1,009	-	1,728	2,737	2,737
Travel	-	-	-	205	-	-	205	205
Utilities	-	-	-	809	-	2,622	3,431	3,431
Total Other Expenses	40,238	-	-	11,460	-	9,884	21,344	61,582
Total General & Administrative	40,753	11,257	-	27,556	13,209	43,501	95,523	136,276
Program Expenses								
Personnel Costs								
Salaries and Wages	-	25,261	17,070	35,507	30,125	67,394	175,357	175,357
Payroll Taxes and Other Fringe Benefits	1,260	2,300	1,841	3,902	2,214	14,909	25,166	26,426
Total Personnel Costs	1,260	27,561	18,911	39,409	32,339	82,303	200,523	201,783
Other Expenses								
Depreciation Expense	2,927	-	-	-	-	-	-	2,927
Equipment Purchase	-	-	-	500	-	3,236	3,736	3,736
Graduation Cost	873	90	-	-	-	939	1,029	1,902
In-Kind Lease Expense	93,061	-	-	-	-	-	-	93,061
Insurance	-	-	-	133	-	3,720	3,853	3,853
Office Supplies	-	-	-	581	-	-	581	581
Other Program Expenses	-	3,044	-	-	-	-	3,044	3,044
Postage	-	-	-	163	-	-	163	163
Repairs and Maintenance	282	-	-	4,228	-	5,651	9,879	10,161
Telephone/Internet	-	-	-	2,471	-	4,232	6,703	6,703
Training Materials/Supplies	1,096	1,110	5,979	793	-	-	7,882	8,978
Travel	-	-	-	501	-	-	501	501
Utilities	-	-	-	1,980	-	6,418	8,398	8,398
Total Other Expenses	98,239	4,244	5,979	11,350	-	24,196	45,769	144,008
Total Program Expenses	99,499	31,805	24,890	50,759	32,339	106,499	246,292	345,791
Total Functional Expenses	<u>\$ 140,252</u>	<u>\$ 43,062</u>	<u>\$ 24,890</u>	<u>\$ 78,315</u>	<u>\$ 45,548</u>	<u>\$ 150,000</u>	<u>\$ 341,815</u>	<u>\$ 482,067</u>

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Statement of Activities-Budget to Actual
General Fund (Cash Basis)

For the Year Ended
June 30, 2021

	Budgeted	Actual	Variance
Revenue			
Student Fees and Other Revenue	\$ 11,219	\$ 9,180	\$ 2,039
Total Revenue	11,219	9,180	2,039
Expenses			
Personnel Costs			
Salaries and Wages	4,876	-	4,876
Payroll Taxes and Other Fringe Benefits	-	1,775	(1,775)
Total Personnel Costs	4,876	1,775	3,101
Other Expenses	6,343	7,405	(1,062)
Total Expenses	11,219	9,180	2,039
Change in Net Assets	\$ -	\$ -	\$ -

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Statement of Activities-Budget to Actual
MHA Fund

For the Year Ended
June 30, 2021

	Budgeted	Actual	Variance
Revenue			
Grants	\$ 39,004	\$ 43,062	\$ (4,058)
Total Revenue	39,004	43,062	(4,058)
Expenses			
Personnel Costs			
Salaries and Wages	32,203	35,579	(3,376)
Payroll Taxes and Other Fringe Benefits	3,102	3,239	(137)
Total Personnel Costs	35,305	38,818	(3,513)
Other Expenses	3,699	4,244	(545)
Total Expenses	39,004	43,062	(4,058)
Change in Net Assets	\$ -	\$ -	\$ -

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Statement of Activities-Budget to Actual
United Way Fund

For the Year Ended
June 30, 2021

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
Revenue			
Grants	\$ 51,750	\$ 24,890	\$ 26,860
Total Revenue	<u>51,750</u>	<u>24,890</u>	<u>26,860</u>
Expenses			
Personnel Costs			
Salaries and Wages	26,196	17,070	9,126
Payroll Taxes and Other Fringe Benefits	2,831	1,841	990
Total Personnel Costs	<u>29,027</u>	<u>18,911</u>	<u>10,116</u>
Other Expenses	<u>22,723</u>	<u>5,979</u>	<u>16,744</u>
Total Expenses	<u>51,750</u>	<u>24,890</u>	<u>26,860</u>
Change in Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Statement of Activities-Budget to Actual
Workforce Fund

For the Year Ended
June 30, 2021

	Budgeted	Actual	Variance
Revenue			
Grants	\$ 100,000	\$ 78,315	\$ 21,685
Total Revenue	100,000	78,315	21,685
Expenses			
Personnel Costs			
Salaries and Wages	74,774	50,010	24,764
Payroll Taxes and Other Fringe Benefits	8,693	5,495	3,198
Total Personnel Costs	83,467	55,505	27,962
Other Expenses	16,533	22,810	(6,277)
Total Expenses	100,000	78,315	21,685
Change in Net Assets	\$ -	\$ -	\$ -

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Statement of Activities-Budget to Actual
State Treasury Fund

For the Year Ended
June 30, 2021

	Budgeted	Actual	Variance
Revenue			
Grants	\$ 150,000	\$ 150,000	\$ -
Total Revenue	150,000	150,000	-
Expenses			
Personnel Costs			
Salaries and Wages	94,038	94,921	(883)
Payroll Taxes and Other Fringe Benefits	21,895	20,999	896
Total Personnel Costs	115,933	115,920	13
Other Expenses	34,067	34,080	(13)
Total Expenses	150,000	150,000	-
Change in Net Assets	\$ -	\$ -	\$ -

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
 Schedule of Board Members
 For the Year Ended
 June 30, 2021

Board Member	Title	Location
Mayor Jamie Mayo	Chairman	Monroe, Louisiana
Mrs. Teresia Dickerson	Vice-Chairwoman	Monroe, Louisiana
Ms. LaQuita Danna	Public Relations Chairwoman	Monroe, Louisiana
Mr. Wilson W. Wilson	Building Committee Chairman	Monroe, Louisiana
Mrs. Juanita Rambo-Heard	Board Secretary	Monroe, Louisiana
Judge Larry Jefferson	Board Member	Monroe, Louisiana
Mrs. Rosie Lee	Board Member	Monroe, Louisiana
Mr. Bernard Menyweather	Board Member	Monroe, Louisiana

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Schedule of Compensation - Key Management

For the Year Ended
June 30, 2021

Job Title	William Smith, CPA Executive Director	Sonya Elmore Bookkeeper
Salary	\$ 52,608	\$ 43,416
401K	-	-
Benefits-Insurance	-	6,943
Benefits-Retirement	-	-
Other Benefits	-	-
Car Allowance	-	-
Vehicle provided by Organization	-	-
Per Diem	-	-
Reimbursements	-	-
Travel	-	-
Registration Fees	-	-
Conference Travel	-	-
Continuing Professional Education Fees	-	-
Housing	-	-
Unvouchered Expenses	-	-
Special Meals	-	-
Total Compensation	\$ 52,608	\$ 50,359

See Accompanying Independent Auditor's Report and Notes to Financial Statements.