

EISNERAMPER

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)
FINANCIAL STATEMENTS
DECEMBER 31, 2023



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Louisiana Rural Ambulance Alliance
St. Gabriel, Louisiana

Opinion

We have audited the accompanying financial statements of the Louisiana Rural Ambulance Alliance (a non-profit organization) (the "Alliance"), which comprise the statement of financial position as of December 31, 2023, the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Rural Ambulance Alliance as of December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Louisiana Rural Ambulance Alliance and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of the Louisiana Rural Ambulance Alliance for the year ended December 31, 2022, were audited by another auditor who expressed an unmodified opinion on those financial statements on August 31, 2023.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Alliance's ability to continue as a going concern for one year after the date of the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with general accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Alliance's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Alliance's ability to continue as a going concern for a reasonable period of time.

We are required to communicate to those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Supplementary Information

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. The supplemental schedule of compensation, benefits, and other payments to chief executive officer on page 19 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2024, on our consideration of the Louisiana Rural Ambulance Alliance's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Louisiana Rural Ambulance Alliance's internal control over financial report or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Louisiana Rural Ambulance Alliance's internal control over financial reporting and compliance.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
June 20, 2024



Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

| | <u>2023</u> | <u>2022</u> |
|-------------------------------------|---------------------|---------------------|
| <u>ASSETS</u> | | |
| Cash and cash equivalents | \$ 2,061,485 | \$ 2,993,937 |
| Accounts receivable | 1,394,425 | 72,131 |
| Due from government agencies | - | 60,279 |
| Prepaid expenses | 67,806 | 52,631 |
| Investments | 757,992 | 677,672 |
| Buildings and equipment, net | 3,670,404 | 2,535,870 |
| Construction in progress | 65,853 | 388,983 |
| | <u>8,017,965</u> | <u>6,781,503</u> |
| TOTAL ASSETS | <u>\$ 8,017,965</u> | <u>\$ 6,781,503</u> |
| <u>LIABILITIES</u> | | |
| Accounts payable | \$ 1,108,679 | \$ 326,541 |
| Retainage payable | - | 37,576 |
| Due to related party | 65,766 | 106,337 |
| TOTAL LIABILITIES | <u>1,174,445</u> | <u>470,454</u> |
| <u>NET ASSETS</u> | | |
| Without donor restrictions | 6,740,562 | 6,311,049 |
| With donor restrictions | 102,958 | - |
| TOTAL NET ASSETS | <u>6,843,520</u> | <u>6,311,049</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 8,017,965</u> | <u>\$ 6,781,503</u> |

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

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2023

| | <u>Without Restrictions</u> | <u>With Restrictions</u> | <u>Total</u> |
|---|---------------------------------|--------------------------|---------------------|
| <u>REVENUES AND OTHER SUPPORT</u> | | | |
| Public support: | | | |
| Grants with government agencies | \$ 242,813 | \$ 150,000 | \$ 392,813 |
| Other revenue: | | | |
| Service fee - Surge contract | 2,199,103 | - | 2,199,103 |
| Service fee - HHS asset maintenance contract | 167,751 | - | 167,751 |
| Service fee - EMS Readiness | 725,154 | - | 725,154 |
| Educational events and training | 50,500 | - | 50,500 |
| Investment earnings (loss), net | 81,366 | - | 81,366 |
| In-kind trainings | 50,000 | - | 50,000 |
| Miscellaneous | 16,371 | - | 16,371 |
| Total revenues | <u>3,533,058</u> | <u>150,000</u> | <u>3,683,058</u> |
| Net assets released from purpose restrictions | 47,042 | (47,042) | - |
| Total revenues and other support | <u>3,580,100</u> | <u>102,958</u> | <u>3,683,058</u> |
| <u>EXPENSES</u> | | | |
| Program services: | | | |
| Emergency response | 1,844,524 | - | 1,844,524 |
| Asset maintenance | 174,997 | - | 174,997 |
| EMS Readiness | 454,403 | - | 454,403 |
| Member services | 480,171 | - | 480,171 |
| Total program services | <u>2,954,095</u> | <u>-</u> | <u>2,954,095</u> |
| Support services | <u>196,492</u> | <u>-</u> | <u>196,492</u> |
| Total expenses | <u>3,150,587</u> | <u>-</u> | <u>3,150,587</u> |
| Change in net assets | 429,513 | 102,958 | 532,471 |
| Net assets at beginning of year | <u>6,311,049</u> | <u>-</u> | <u>6,311,049</u> |
| Net assets at end of year | <u>\$ 6,740,562</u> | <u>\$ 102,958</u> | <u>\$ 6,843,520</u> |

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

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2022

| | Without Restrictions | With Restrictions | Total |
|---|-------------------------|-------------------|---------------------|
| <u>REVENUES AND OTHER SUPPORT</u> | | | |
| Public support: | | | |
| Grants with government agencies | \$ 869,861 | \$ - | \$ 869,861 |
| Other revenue: | | | |
| Service fee - Surge contract | - | - | - |
| Service fee - HHS asset maintenance contract | 177,785 | - | 177,785 |
| Service fee - EMS REDI | 415,663 | - | 415,663 |
| Educational events and training | 93,906 | - | 93,906 |
| Investment earnings (loss), net | (121,310) | - | (121,310) |
| Gain (loss) on sale and disposal of assets | (1,190) | - | (1,190) |
| Miscellaneous | 199,992 | - | 199,992 |
| Total revenues | <u>1,634,707</u> | <u>-</u> | <u>1,634,707</u> |
| Net assets released from purpose restrictions | - | - | - |
| Total revenues and other support | <u>1,634,707</u> | <u>-</u> | <u>1,634,707</u> |
| <u>EXPENSES</u> | | | |
| Program services: | | | |
| Emergency response | 63,534 | - | 63,534 |
| Asset maintenance | 200,732 | - | 200,732 |
| EMS REDI | 588,312 | - | 588,312 |
| Member services | 599,292 | - | 599,292 |
| Total program services | <u>1,451,870</u> | <u>-</u> | <u>1,451,870</u> |
| Support services | <u>141,191</u> | <u>-</u> | <u>141,191</u> |
| Total expenses | <u>1,593,061</u> | <u>-</u> | <u>1,593,061</u> |
| Change in net assets | 41,646 | - | 41,646 |
| Net assets at beginning of year | <u>6,269,403</u> | <u>-</u> | <u>6,269,403</u> |
| Net assets at end of year | <u>\$ 6,311,049</u> | <u>\$ -</u> | <u>\$ 6,311,049</u> |

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

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2023 AND 2022

| | 2023 | | | | | Support Services | |
|----------------------------|-------------------------------|------------------------------|-------------------|----------------------------|---------------------|-------------------------|---------------------|
| | Program Services | | | | | General and | Total |
| | Emergency Response | Asset Maintenance | EMS Read | Member Services | Total | Administrative | Expenses |
| Committees and memberships | \$ - | \$ - | \$ - | \$ 1,724 | \$ 1,724 | \$ - | \$ 1,724 |
| Contract services | 1,818,547 | 68,054 | 204,314 | 160,518 | 2,251,433 | 6,700 | 2,258,133 |
| Depreciation | - | 21,834 | 31,995 | 137,794 | 191,623 | 72,611 | 264,234 |
| Education | - | - | 99,458 | - | 99,458 | - | 99,458 |
| Insurance | - | 30,321 | - | - | 30,321 | 49,955 | 80,276 |
| In-kind trainings | - | - | - | 50,000 | 50,000 | - | 50,000 |
| Meals | - | - | - | - | - | 939 | 939 |
| Miscellaneous | - | 12,497 | - | 73,615 | 86,112 | 907 | 87,019 |
| Professional services | 13,293 | 11,175 | - | 29,866 | 54,334 | 1,980 | 56,314 |
| Repairs and maintenance | - | 13,892 | - | - | 13,892 | 34,834 | 48,726 |
| Service charges | - | - | - | - | - | 360 | 360 |
| Supplies | 6,172 | 16,542 | 31,550 | 15,195 | 69,459 | 7,318 | 76,777 |
| Telecommunications | - | - | 87,086 | - | 87,086 | - | 87,086 |
| Travel and lodging | 6,512 | 682 | - | 11,459 | 18,653 | - | 18,653 |
| Utilities | - | - | - | - | - | 20,888 | 20,888 |
| Total Expenses | \$ 1,844,524 | \$ 174,997 | \$ 454,403 | \$ 480,171 | \$ 2,954,095 | \$ 196,492 | \$ 3,150,587 |

| | 2022 | | | | | Support Services | |
|----------------------------|-------------------------------|------------------------------|-------------------|----------------------------|---------------------|-------------------------|---------------------|
| | Program Services | | | | | General and | Total |
| | Emergency Response | Asset Maintenance | EMS Read | Member Services | Total | Administrative | Expenses |
| Committees and memberships | \$ - | \$ - | \$ - | \$ 630 | \$ 630 | \$ - | \$ 630 |
| Contract services | 7,661 | 108,914 | 167,209 | 251,685 | 535,469 | - | 535,469 |
| Depreciation | - | 23,839 | 1,791 | 100,423 | 126,053 | 52,534 | 178,587 |
| Insurance | - | 12,590 | - | - | 12,590 | 58,829 | 71,419 |
| Meals | - | - | - | - | - | 1,634 | 1,634 |
| Miscellaneous | - | 5,732 | 777 | 6,724 | 13,233 | 15,480 | 28,713 |
| Professional services | 13,446 | 14,225 | - | 32,023 | 59,694 | 1,900 | 61,594 |
| Repairs and maintenance | - | 22,213 | - | 8,983 | 31,196 | 2,064 | 33,260 |
| Service charges | - | - | - | - | - | 360 | 360 |
| Supplies | 33,225 | 10,697 | 11,092 | 170,807 | 225,821 | 4,906 | 230,727 |
| Telecommunications | - | - | 407,443 | - | 407,443 | - | 407,443 |
| Travel and lodging | 9,202 | 2,522 | - | 28,017 | 39,741 | - | 39,741 |
| Utilities | - | - | - | - | - | 3,484 | 3,484 |
| Total Expenses | \$ 63,534 | \$ 200,732 | \$ 588,312 | \$ 599,292 | \$ 1,451,870 | \$ 141,191 | \$ 1,593,061 |

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

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

| | <u>2023</u> | <u>2022</u> |
|---|---------------------|---------------------|
| <u>CASH FLOWS FROM OPERATING ACTIVITIES</u> | | |
| Change in net assets | \$ 532,471 | \$ 41,646 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation | 264,234 | 178,587 |
| Loss on sale and disposal of assets | - | 1,190 |
| Net realized (gain) loss on investments | 1,650 | (8,628) |
| Unrealized (gain) loss on investments | (66,573) | 144,498 |
| (Increase) decrease in accounts receivable and due from governmental agencies | (1,262,015) | 7,633,324 |
| Increase in prepaids | (15,175) | (12,952) |
| Increase (decrease) in due to related parties | (40,571) | 41,313 |
| Increase (decrease) in accounts and retainage payable | 744,562 | (7,429,452) |
| Net cash provided by operating activities | <u>158,583</u> | <u>589,526</u> |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u> | | |
| Purchases of buildings and equipment | (1,075,638) | (667,036) |
| Purchases of investments | (390,475) | (633,178) |
| Proceeds from sales of investments | 375,078 | 610,542 |
| Net cash used in investing activities | <u>(1,091,035)</u> | <u>(689,672)</u> |
| Net decrease in cash and cash equivalents | (932,452) | (100,146) |
| Cash and cash equivalents at beginning of year | <u>2,993,937</u> | <u>3,094,083</u> |
| Cash and cash equivalents at end of year | <u>\$ 2,061,485</u> | <u>\$ 2,993,937</u> |

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

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies**

Nature of Activities

The Louisiana Rural Ambulance Alliance (the Alliance) is a non-profit organization that was formed on September 8, 1995, to promote the ambulance industry in the State of Louisiana. To accomplish this purpose, the Alliance engages in educational and legislative activities on behalf of its members. In addition to the promotion of the ambulance industry, the Alliance also assists the Bureau of Emergency Medical Services of the State of Louisiana in emergency response for declared emergencies as well as the Bureau of Community Preparedness of the State of Louisiana for establishing, expanding, training, and sustaining the state health workforce for current and future pandemics.

Program Services

Emergency Response

The Alliance provides ambulatory services in the event of declared emergencies. Included in the ambulance services are staffing and operational support to the Bureau of Emergency Medical Services.

Asset Maintenance

The Alliance purchases, tracks, and maintains assets for use by the Emergency Medical Service Public Health workforce.

EMS Readiness

The Alliance establishes, expands, and sustains an Emergency Medical Services Public Health workforce for current and future pandemics.

Member Services

The Alliance provides education, training, and legislative services to the members of the Louisiana Rural Ambulance Association.

Support Services

General and Administrative

The support service category includes the functions necessary to secure proper administrative functioning of the Alliance's governing board, maintain an adequate working environment, and manage financial responsibilities of the Alliance.

Basis of Accounting

The Alliance prepares its financial statements on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

To ensure proper usage of restricted and unrestricted assets, the Alliance maintains its accounts according to accounting principles generally accepted in the United States of America, whereby funds are classified in accordance with specified restrictions or objectives.

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

Cash and Cash Equivalents

The Alliance considers all cash accounts and money markets funds with a maturity of three months or less when purchased to be cash and cash equivalents.

Accounts Receivable

Management considers accounts receivable that are more than 180 days old based on the invoice date to be uncollectible. There is no interest charged on past due accounts. No reserve for credit losses has been established. Management has determined that all receivables as of each year end are collectible.

Due from Government Agencies

Due from government agencies consists of unremitted reimbursements of expenses from government agencies that are based upon individual grant requirements. Management has determined that all amounts due from government agencies as of each year end are collectible.

Investments

Investments in marketable securities with readily determinable fair values are valued at their fair values in the statements of financial position. Investment expenses, such as investment advisory fees, are netted against investment income (loss) in the statements of activities and changes in net assets.

Buildings and Equipment

The Alliance capitalizes buildings and equipment over \$1,500. Lesser amounts are expensed. Buildings and equipment are recorded at cost and are being depreciated using the straight-line methods over their estimated useful lives as follows:

| | |
|-------------------|---------------|
| Buildings | 30 - 40 years |
| Land improvements | 15 years |
| Other equipment | 5 - 10 years |

Leases

The Alliance is not operating under any significant leases as of December 31, 2023. The Alliance follows certain accounting standards and updates related to accounting for leases. Under the standards, for finance and operating leases other than those considered to be short-term, the Alliance recognizes lease right of use assets and related lease liabilities. The Alliance does not recognize short-term finance and operating leases on its statements of financial position. A short-term finance or operating lease has an original term of twelve months or less and does not have a purchase option that is likely to be exercised.

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

Net Assets

Net assets without donor restrictions are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes.

Net assets with donor or grantor restrictions consist of assets whose use is limited by donor or grantor-imposed time and/or purpose restrictions.

Revenue Recognition

The majority of the Alliance's revenue is derived from grants with government agencies and service fees.

Grants are non-exchange transactions that benefit the general public and are recorded like contributions.

Contributions of noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. The Alliance recognized \$50,000 of in-kind trainings during the year ended December 31, 2023. The Alliance did not recognize any contributed services during the year ended December 31, 2022.

The Alliance reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

The service fee revenue under the Surge contract is earned over time based upon contractually determined hourly rates associated with emergency transportation management services and supply of ambulances including ALS, BLS, and fixed wing air. The contract for these services is initiated upon the written notification of a declaration of a state of emergency by the State Health Officer or his designee of the State of Louisiana. On a contingency basis, the Alliance provides support to the Emergency Medical Services – Tactical Operations Center. These services are billed on a monthly basis as the services are provided.

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

Revenue Recognition (continued)

The service fee revenue under the HHS asset maintenance contract is earned over time as the asset management services are provided. These services are billed quarterly after the services are provided.

The service fee revenue under the HHS COVID supplemental contract is earned at a point in time when the assets are purchased.

The service fee revenue under the EMS Readi contract is earned as the contract deliverables and performance measures are met. These services are billed upon completion of the deliverables as specified in the contract.

Expenses

Expenses are recognized by the Alliance on an accrual basis. Costs paid in advance and not yet incurred are recorded as prepaid until the applicable period.

Expenses are charged directly to programs in categories based on specific identification. Indirect expenses, if any, are allocated based on amounts approved by the respective contracts.

Functional Allocation of Expenses

The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. No allocation of general and administrative costs has been made to program services.

Use of Estimates

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

Income Taxes

The Alliance accounts for income taxes in accordance with the income tax accounting guidance included in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

The Alliance is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Therefore, the Alliance has not recorded a provision for income taxes in the accompanying financial statements.

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

Income Taxes (continued)

Management has evaluated the Alliance's tax positions and concluded that the Alliance has taken no uncertain tax positions that require adjustment to or disclosure in the financial statements to comply with the provisions of the accounting guidance for income taxes.

Current Year Adoption of New Accounting Standard

The Alliance implemented FASB ASU 2016-13, *Financial Instruments – Credit Losses* during the year ended December 31, 2023. This accounting standard requires the Alliance to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable supportable forecasts. This replaces the existing incurred loss model and is applicable to the measurement of credit losses on financial assets measured at amortized cost and applies to some off-balance sheet credit exposures. The adoption of this standard had no material impact to the 2023 statement of financial position or statement of activities and changes in net assets.

2. **Cash and Cash Equivalents**

At December 31, 2023 and 2022 the carrying amounts of the Alliance's deposits were \$2,061,485 and \$2,993,937, respectively. These deposits are at cost, which approximates market.

3. **Concentrations of Credit Risk**

At various times throughout the year, the carrying value of the Alliance's deposits were in excess of FDIC insurance. Management believes that the risk of default is minimal.

4. **Buildings and Equipment**

Buildings and equipment at December 31, 2023 and 2022 consist of the following:

| | 2023 | 2022 |
|--------------------------------|--------------|--------------|
| Building | \$ 2,783,724 | \$ 1,914,896 |
| Land improvements | 10,250 | - |
| Furniture and equipment | 2,182,328 | 1,662,638 |
| | 4,976,302 | 3,577,534 |
| Less: Accumulated depreciation | (1,305,898) | (1,041,664) |
| Buildings and equipment, net | \$ 3,670,404 | \$ 2,535,870 |

Depreciation expense was \$264,234 and \$178,587 for the years ended December 31, 2023 and 2022, respectively.

Construction in progress as of December 31, 2023 includes a shop building that is still in the planning phase. Additionally, a building and façade improvements that were included in construction in progress in the prior year were completed in the current fiscal year.

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

5. Grants with Government Agencies

Grants and contracts with government agencies for the years ended December 31, 2023 and 2022 consisted of the following:

| | 2023 | | |
|---|---------------------------------|------------------------------|-------------------|
| | <u>Without Restrictions</u> | <u>With Restrictions</u> | <u>Total</u> |
| Department of Health and Hospitals – Opioid Response | \$ 138,962 | \$ - | \$ 138,962 |
| United States Department of Agriculture - RATE | 103,851 | - | 103,851 |
| Louisiana Ambulance Alliance – Opiod Abuse Prevention Fund | - | 150,000 | 150,000 |
| Total | <u>\$ 242,813</u> | <u>\$ 150,000</u> | <u>\$ 392,813</u> |

| | 2022 | | |
|---|---------------------------------|------------------------------|-------------------|
| | <u>Without Restrictions</u> | <u>With Restrictions</u> | <u>Total</u> |
| Department of Health and Hospitals – Opioid Response | \$ 347,630 | \$ - | \$ 347,630 |
| United States Department of Agriculture - RATE | 522,231 | - | 522,231 |
| Total | <u>\$ 869,861</u> | <u>\$ -</u> | <u>\$ 869,861</u> |

Net assets in the amount of \$47,042 were released from restrictions by incurring expenses satisfying the restricted purposes or by occurrences of other events specified by the grant. The amount of remaining of net assets with donor restrictions at December 31, 2023 was \$102,958.

6. Service Fees

The Alliance has a contract with the State of Louisiana to provide ambulance services as needed in the event of declared emergencies. Included in the ambulance services are staffing and operational support to the Bureau of Emergency Medical Services. The Alliance requests reimbursement from the State of Louisiana at the contracted hourly rate for the respective ambulance services. These reimbursements have been reported in the statements of activities and changes in net assets as service fee – Surge contract. The number of hours billed each year can vary greatly depending upon the severity of the declared emergencies.

The Alliance has a contract with the Louisiana Hospital Association Research and Education Foundation to provide oversight of Hospital Preparedness Program funded assets, maintain and monitor equipment, and educate EMS providers as to the assets available and request process to obtain those assets. The Alliance requests reimbursement from the Foundation quarterly for the respective services. These reimbursements have been reported in the statements of activities and changes in net assets as service fee – HHS asset maintenance contract.

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

6. **Service Fees** (continued)

The Alliance has a contract with the Louisiana Department of Health, Office of Public Health, Bureau of Community Preparedness of the State of Louisiana to establish, expand, train, and sustain the state health workforce to support jurisdictional COVID-19 prevention, preparedness, response, and recovery initiatives. The Alliance requests reimbursement from the State of Louisiana as the contract deliverables are completed. These reimbursements have been reported in the statements of activities and changes in net assets as services fee – EMS Readiness.

The amounts due to the Alliance under these contracts are included in the statement of financial position as accounts receivable and are as follows:

| | 2023 | 2022 |
|--|---------------------|------------------|
| Service fee – Surge contract | \$ 1,315,756 | \$ - |
| Service fee – HHS asset maintenance contract | 30,669 | 54,918 |
| Service fee – EMS Readiness | 48,000 | 17,213 |
| Total | <u>\$ 1,394,425</u> | <u>\$ 72,131</u> |

7. **Due from Government Agencies**

The following represents the amounts due from government agencies at December 31, 2023 and 2022:

| | 2023 | 2022 |
|--|-------------|------------------|
| Department of Health and Hospitals – Opioid Response | \$ - | \$ 60,279 |
| Total | <u>\$ -</u> | <u>\$ 60,279</u> |

8. **Investments and Fair Value of Financial Instruments**

In accordance with the Fair Value Measurements and Disclosure topic of the FASB ASC, disclosure of fair value information about financial instruments is required. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instruments. Therefore, the aggregate fair value amounts presented do not represent the underlying value of the Alliance.

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

8. Investments and Fair Value of Financial Instruments (continued)

The fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions.

In accordance with this guidance, the Alliance groups its financial assets and financial liabilities generally measured at fair value in three levels, based on the markets in which the assets and liabilities are traded, and the reliability of the assumptions used to determine fair value.

- Level 1 – Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.
- Level 2 – Valuation is based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.
- Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following method and assumption were used by the Alliance in estimating its fair value disclosures:

Equity and Fixed Income Securities Funds

Securities are classified within Level 1 where quoted market prices are available in an active market. Inputs include securities that have quoted prices in active markets for identical assets. If quoted market prices are unavailable, fair value is estimated using pricing models or quoted prices of securities with similar characteristics, at which point the securities would be classified within Level 2 of the hierarchy.

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

8. Investments and Fair Value of Financial Instruments (continued)

The following table presents for each fair value hierarchy level, the Alliance's financial assets that are measured at fair value on a recurring basis:

| | December 31, 2023 | December 31, 2022 |
|----------------------------------|-------------------|-------------------|
| | <u>Level 1</u> | <u>Level 1</u> |
| Equity Securities: | | |
| Technology | \$ 81,993 | \$ 57,057 |
| Healthcare | 44,120 | 41,325 |
| Basic Materials | 6,627 | 4,035 |
| Communications | 28,628 | 27,432 |
| Consumer | 30,667 | 24,372 |
| Consumer Defensive | 22,282 | 22,541 |
| Industrial | 28,311 | 26,035 |
| Energy | 5,490 | 5,848 |
| Mid Cap | 60,650 | 50,568 |
| Large Cap | 39,392 | 32,901 |
| Small Blend | 48,847 | 30,073 |
| Real Estate | 4,651 | 4,449 |
| Financial Services | 29,432 | 26,421 |
| Utilities | 7,967 | 7,745 |
| Fixed Income Securities: | | |
| Intermediate Core Bond Fund | 73,869 | - |
| Intermediate Core-Plus Bond Fund | 162,444 | - |
| Multisector Bond Fund | 82,622 | - |
| Ultrashort Bond Fund | - | 316,870 |
| | <u>\$ 757,992</u> | <u>\$ 677,672</u> |

9. Availability and Liquidity Management

The Alliance maintains a policy of structuring its financial assets to be available as its general expenses, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Alliance has equity investments that are readily available to be sold.

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

9. **Availability and Liquidity Management** (continued)

The following table reflects the Alliance's financial assets as of December 31, 2023 and 2022, reduced by amounts that are not available to meet general obligations within one year of the statement of financial position date because of contractual restrictions.

| | 2023 | 2022 |
|--|---------------------|---------------------|
| Cash and cash equivalents | \$ 2,061,485 | \$ 2,993,937 |
| Accounts receivable | 1,394,425 | 72,131 |
| Due from government agencies | - | 60,279 |
| Investments | 757,992 | 677,672 |
| | <u>4,213,902</u> | <u>3,804,019</u> |
| Less: amounts held with donor restrictions | <u>(102,958)</u> | <u>-</u> |
| Financial assets available to meet cash needs for general expenses within one year | <u>\$ 4,110,944</u> | <u>\$ 3,804,019</u> |

10. **Related Party Transactions**

The Alliance has contracted with the Louisiana Ambulance Alliance to provide comprehensive association management services to the Alliance. The Louisiana Ambulance Alliance is governed by the same board of directors as the Alliance.

Payments were made to the Louisiana Ambulance Alliance for contract services and reimbursements of business expenses during the years ended December 31, 2023 and 2022. Payments to Louisiana Ambulance Alliance amounted to \$282,757 and \$291,867 for the years ended December 31, 2023 and 2022, respectively.

Payments were made to the executive director for reimbursements of business expenses during the year ended December 31, 2023. Payments to Shane Bellard amounted to \$33 for the year ended December 31, 2023.

The Alliance had outstanding balances owed to the Louisiana Ambulance Alliance of \$65,766 and \$106,337 as of December 31, 2023 and 2022, respectively. These amounts are included in the statements of financial position as amounts due to related party.

11. **Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 20, 2024, and determined that no additional disclosures were necessary. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)
SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO CHIEF EXECUTIVE OFFICER
YEAR ENDED DECEMBER 31, 2023

Chief Executive Officer: Curry Landry (January 1, 2023 through May 31, 2023)

Purpose

Amounts paid directly to the CEO

| | | |
|-------------------|-----------|----------|
| Salary | \$ | - |
| Benefits | | - |
| Contract Services | | - |
| Travel | | - |
| Reimbursements | | - |
| | <u>\$</u> | <u>-</u> |

Chief Executive Officer: Shane Bellard (June 1, 2023 through December 31, 2023)

Purpose

Amounts paid directly to the CEO

| | | |
|-------------------|-----------|-----------|
| Salary | \$ | - |
| Benefits | | - |
| Contract Services | | - |
| Travel | | - |
| Reimbursements | | 33 |
| | <u>\$</u> | <u>33</u> |

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

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

To the Board of Directors
Louisiana Rural Ambulance Alliance
St. Gabriel, Louisiana

We have audited, 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, the financial statements of the Louisiana Rural Ambulance Alliance (a nonprofit organization) (the Alliance), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompany schedule of findings and recommendations as items 2023-001, 2023-002, and 2023-003 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Alliance's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and recommendations as item 2023-004.

Louisiana Rural Ambulance Alliance's Response to Findings

Government Auditing Standards require the auditor to perform limited procedures on the Alliance's response to the findings identified in our audit and described in the accompanying schedule of findings and recommendations. The Alliance's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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.



EISNERAMPER LLP
Baton Rouge, Louisiana
June 20, 2024



Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

SCHEDULE OF FINDINGS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2023

SECTION I - SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditors' report issued:
Unmodified

Internal control over financial reporting:

- Material weakness identified Yes No
- Significant deficiency identified not considered to be a material weakness? Yes None

Noncompliance material to financial statements noted? Yes No

SECTION II – FINANCIAL STATEMENT FINDINGS

2023-001 RECONCILIATION OF GRANT EXPENSES

Criteria: To ensure the accuracy of accounting records and timeliness of grant reimbursement requests the spreadsheets used to prepare the grant reimbursement requests should be reconciled to the accounting records to ensure completeness, accuracy, and timely submission of grant reimbursement request.

Condition: Disbursements that are eligible for reimbursement under grant awards appear properly segregated and recorded in the accounting records, and a spreadsheet is prepared for each grant using these invoices. However, neither the spreadsheet nor the grant reimbursement request is reconciled to the accounting records. In one instance this created a significant delay in submitting grant expenditures for reimbursement.

Cause: Proper procedures were not implemented to ensure the completeness, accuracy, and timely submission of grant reimbursement request.

Effect: Grant reimbursement requests may not be complete, accurate, or submitted timely.

Recommendation: The spreadsheets used to prepare the grant reimbursement requests should be reconciled to the accounting records to ensure completeness, accuracy, and timely submission.

View of Responsible Official: Management concurs with the finding.

2023-002 INTERNAL CONTROLS OVER REPORTING

Criteria: Section 5.7 of the Distance Learning and Telemedicine Agreement requires an annual project performance activity report no later than January 31 of the following year in which all or any portion of the grant is advanced.

Condition: The Alliance received grant funds from the Distance Learning and Telemedicine Agreement in the current; however, the annual project performance activity report was not submitted by January 31, 2024. The report was submitted on February 15, 2024. This is a repeat finding from prior year.

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

SCHEDULE OF FINDINGS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS (continued)

2023-002 INTERNAL CONTROLS OVER REPORTING (continued)

Cause: The Alliance does not have internal controls in place to ensure that the annual performance report is submitted timely.

Effect: The Alliance is noncompliant with the reporting requirement of the Distance Learning and Telemedicine Agreement. Non-compliance with the terms and conditions of the grant award may result in reductions in funding or termination of the agreement.

Recommendation: The Alliance should implement internal controls that ensure the proper procedures are followed to ensure compliance with grant reporting requirements.

View of Responsible Official: Management concurs with the finding.

2023-003 INTERNAL CONTROLS OVER SUSPENSION AND DEBARMENT

Criteria: Non-federal entities must follow the suspension and debarment standards set out at 2 CFR section 200.317 and use their own documented suspension and debarment procedures. Internal controls should be designed to ensure compliance with these federal requirements.

Condition: The total population for the Distance Learning and Telemedicine Agreement consisted of one vendor. There was documentation that the vendor was tested for suspension and debarment; however, the date the test was performed was not documented. This is a repeat finding from prior year.

Cause: Internal controls have not been implemented to ensure compliance with all procurement regulations of the Distance Learning and Telemedicine Agreement and the established procedures were not properly executed.

Effect: The Alliance is susceptible to a higher risk of non-compliance with federal awarding requirements as they relate to suspension and debarment. The Alliance could enter into a contract with someone suspended or debarred and result in disallowed cost requiring the organization to fund the cost with its own resources.

Recommendation: Proper internal controls should be established to ensure the Alliance's compliance with Uniform Guidance as it relates to suspension and debarment.

View of Responsible Official: Management concurs with the finding.

2023-004 PROCUREMENT – ENHANCEMENT OF POLICIES AND PROCEDURES FOR FEDERAL LAWS

Criteria: The Uniform Guidance administrative requirements and cost principles apply to federal funding awards received on or after December 26, 2014. 2 CFR, Subpart D – Post Federal Award Requirements and Subpart E – Cost Principles of the Uniform Guidance require specific written policies and internal controls related to federal awards.

Condition: The written policies and procedures of the Alliance do not directly address all the requirements under the Uniform Guidance for federal programs related to procurement in regard to the Distance Learning and Telemedicine Agreement. This is a repeat finding from prior year.

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

SCHEDULE OF FINDINGS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS (continued)

2023-004 **PROCUREMENT – ENHANCEMENT OF POLICIES AND PROCEDURES FOR**
FEDERAL LAWS (continued)

Cause: The Alliance has not taken appropriate steps to formalize policies and procedures relating to the requirements established under Uniform Guidance for compliance with procurement in regard to the Distance Learning and Telemedicine Agreement.

Effect: The Alliance is susceptible to a higher risk of non-compliance with federal awarding requirements as they relate to procurement in regard to the Distance Learning and Telemedicine Agreement. The lack of written policies and procedures may result in non-compliance of vendor or subrecipient compliance with federal regulations.

Recommendation: The Alliance should reevaluate written policies and procedures to ensure compliance with Uniform Guidance relating to procurement.

View of Responsible Official: Management concurs with the finding.

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2023

FINANCIAL STATEMENT FINDINGS

2022-001 TIMELY FILING OF REPORT WITH LOUISIANA LEGISLATIVE AUDITOR

Condition: The Alliance was required to have an audit completed by the filing deadline of June 30, 2023. The Alliance requested and received a non-emergency extension through September 30, 2023. However, despite approval of the extension, the Alliance did not comply with the timeline established by regulation and, therefore, the finding is required by the Louisiana Legislative Auditor.

Current year status: This finding was resolved in the current year.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2022-002 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SEFA)

Condition: Uniform Guidance section 200.510 requires the auditee to prepare a SEFA. A complete and accurate SEFA was not provided to us.

Current year status: This was not applicable in the current year as the Alliance did not expend federal awards in excess of \$750,000 requiring a single audit.

2022-003 PROCUREMENT

United States Department of Agriculture

Distance Learning and Telemedicine Agreement (Federal Assistance Listing No. 10.855)

Condition: The total population consisted of three invoices. There was one invoice in the sample that met the bid threshold. Although bids were solicited through the request for proposal process, there was no documentation as to why the highest bidder was selected. The two other items in the population met the threshold where quotes should have been obtained prior to a purchase but were not.

Current year status: This was not applicable in the current year as the Alliance did not expend federal awards in excess of \$750,000 requiring a single audit.

2022-004 PROCUREMENT – ENHANCEMENT OF POLICIES AND PROCEDURES FOR FEDERAL LAWS

United States Department of Agriculture

Distance Learning and Telemedicine Agreement (Federal Assistance Listing No. 10.855)

Condition: The written policies and procedures of the Alliance do not directly address all of the requirements under the Uniform Guidance for federal programs as it relates to procurement.

Current year status: A similar issue was noted in the current year. See financial statement finding 2023-004.

Louisiana Rural Ambulance Alliance
(A NOT FOR PROFIT ORGANIZATION)

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2023

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (continued)

2022-005 REPORTING

United States Department of Agriculture

Distance Learning and Telemedicine Agreement (Federal Assistance Listing No. 10.855)

Condition: The Alliance received grant funds in fiscal year 2022; however, the annual project performance activity report was not submitted by January 31 of the following year. This was the only reporting required under this grant award.

Current year status: A similar issue was noted in the current year. See financial statement finding 2023-002.

2022-006 SUSPENSION AND DEBARMENT

United States Department of Agriculture

Distance Learning and Telemedicine Agreement (Federal Assistance Listing No. 10.855)

Condition: The total population consisted of three vendors. There was documentation that one of the vendors was tested for suspension and debarment; however, the date the test was performed was not documented.

Current year status: A similar issue was noted in the current year. See financial statement finding 2023-003.



LOUISIANA RURAL AMBULANCE ALLIANCE

RESPONSE - POLICY - EDUCATION

June 20, 2024

Corrective Action Plan- Financial Statements

The Louisiana Rural Ambulance Alliance (Alliance) respectfully submits the following corrective action plan for the year ended December 31, 2023.

Name and address of independent public accounting firm:

EisnerAmper LLP
8550 United Plaza Blvd., Suite 1001
Baton Rouge, LA 70809

Financial Statement Period: January 1, 2023 - December 31, 2023

The findings from the Report of Financial Statements are discussed below. The findings are numbered consistently with the numbers assigned on the Report of Financial Statements.

II. Financial Statement Findings

2023-001

Reconciliation of Grant Expenses

Condition:

Disbursements that are eligible for reimbursement under grant awards appear properly segregated and recorded in the accounting records, and a spreadsheet is prepared for each grant using these invoices. However, neither the spreadsheet nor the grant reimbursement request is reconciled to the accounting records. In one instance this created a significant delay in submitting grant expenditures for reimbursement.

Management Response:

The Louisiana Rural Ambulance Alliance shall implement policies and procedures to address proper reconciliation of internal tracking with accounting records. This shall include reconciliation of the spreadsheet used to prepare the grant reimbursement requests with the accounting records to ensure completeness, accuracy, and timely submission. This responsibility shall be assigned to the Louisiana Rural Ambulance Alliance Finance Coordinator.

2023-002

Internal Controls Over Reporting

Condition:

The Alliance received grant funds from the Distance Learning and Telemedicine Agreement in fiscal year 2022 and 2023; however, the annual project performance activity report was not submitted by January 31 of the following year. The report appears to have been submitted on February 15, 2024. This is a repeat finding from the prior year.

Management Response: The Louisiana Rural Ambulance Alliance shall implement internal controls to guarantee that proper and timely reporting is completed to ensure compliance with grant reporting requirements. These controls shall include, but not be limited to, mandatory in-person meetings to include the Principal Investigator, Program Director, and Program Coordinator on a weekly basis beginning one month prior to the established reporting deadline. This will facilitate effective collaboration among responsible parties and ensure that all required documentation is submitted in a timely manner prior to the established deadline.

2023-003

Internal Controls Over Suspension and Debarment

Condition: The total population for the Distance Learning and Telemedicine Agreement consisted of one vendor. There was documentation that the vendor was tested for suspension and debarment; however, the date the test was performed was not documented. This is a repeat finding from prior year.

Management Response: Although the Louisiana Rural Ambulance Alliance completed the suspension and debarment check of vendors via the Federal System for Award Management, it failed at adequately documenting the procedure and findings. As such, the Louisiana Rural Ambulance Alliance shall establish proper internal controls to ensure all necessary information regarding suspension and debarment checks is properly documented.

2023-004

Procurement- Enhancement of Policies and Procedures For Federal Laws

Condition: The written policies and procedures of the Alliance do not directly address all the requirements under the Uniform Guidance for federal programs related to procurement in regard to the Distance Learning and Telemedicine Agreement. This is a repeat finding from prior year.

Management Response: The Louisiana Rural Ambulance Alliance shall reevaluate its current written policies and procedures as it relates to procurement, and revise any identified deficiencies to ensure compliance with Uniform Guidance for federal programs.

The above corrective action plan addresses the current year's findings. If you need additional information concerning the corrective action plan, please contact me at your convenience.

Sincerely,

A handwritten signature in black ink, reading "Shane J. Bellard". The signature is written in a cursive style with a large, stylized initial "S".

Shane J Bellard
Chief Executive Officer
Louisiana Rural Ambulance Alliance

LOUISIANA RURAL AMBULANCE ALLIANCE

LOUISIANA LEGISLATIVE AUDITOR – STATEWIDE
AGREED-UPON PROCEDURES REPORT

FOR THE YEAR ENDED DECEMBER 31, 2023

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| Schedule A: Agreed-Upon Procedures Performed and Associated Findings | 2 - 14 |
| Schedule B: Management's Response and Corrective Action Plan | 15 |

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of the Louisiana Rural Ambulance Alliance and the Louisiana Legislative Auditor:

We have performed the procedures enumerated in Schedule A on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) of the Louisiana Rural Ambulance Alliance for the fiscal period January 1, 2023, through December 31, 2023. Louisiana Rural Ambulance Alliance's management is responsible for those C/C areas identified in the SAUPs.

The Louisiana Rural Ambulance Alliance has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2023, through December 31, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by the Louisiana Rural Ambulance Alliance to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs of the Louisiana Rural Ambulance Alliance for the fiscal period January 1, 2023, through December 31, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

The purpose of this report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



EISNERAMPER LLP
Baton Rouge, Louisiana
June 20, 2024

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read “no exception noted” or for step 13 “we performed the procedure and discussed the results with management”. If not, then a description of the exception ensues.

1) Written Policies and Procedures

A. Obtain and inspect the entity’s written policies and procedures and observe whether they address each of the following categories and subcategories (if applicable to public funds and the entity’s operations):

i.) **Budgeting** – including preparing, adopting, monitoring, and amending the budget.

The entity does not have written policies for Budgeting.

ii.) **Purchasing** – including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

No exceptions noted.

iii.) **Disbursements** – including processing, reviewing, and approving.

No exceptions noted.

iv.) **Receipts/Collections** – including receiving, recording, and preparing deposits. Also, policies and procedures should include management’s actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequence, agency fund forfeiture monies confirmation.)

No exceptions noted.

v.) **Payroll/Personnel** – including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

The organization’s written policies for Payroll/Personal include (1) payroll process and (2) reviewing and approving time and attendance records, including leave and overtime worked. The entity’s written policies for Payroll/Personal does not specifically address (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.



vi.) **Contracting** – including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

The entity's contracting policy includes (1) types of services requiring written contracts, (4) the approval process, and (5) the monitoring process. The entity's contracting policy does not include (2) standard terms and conditions and (3) legal review.

vii.) **Travel and Expense Reimbursement** – including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

No exceptions noted.

viii.) **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)** – including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel car purchases.)

The entity does not have written policies for Credit Cards.

ix.) **Ethics** – including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

The entity does not have written policies for Ethics.

x.) **Debt Service** – including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The entity does not have written policies for Debt Service.

xi.) **Information Technology Disaster Recovery/Business Continuity** – including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

The entity does not have written policies for Information Technology Disaster Recovery/Business Continuity.



xii.) **Sexual Harassment** – including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

The entity does not have written policies for Sexual Harassment.

2) Board or Finance Committee

A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent documents in effect during the fiscal period, and:

i.) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws or other equivalent documents.

No exceptions noted.

ii.) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

The entity reports on the non-profit accounting model. No exceptions noted.

iii.) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate negative unassigned fund balance in the general fund.

The entity reports on the non-profit accounting model. Positive net assets were reported in the prior year audit report. No exceptions noted.

iv.) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

No written updates of the progress of resolving audit finding(s) received, according to management's corrective action plan, were reported in the minutes.



3) *Bank Reconciliations*

A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5.) Randomly select one month from the fiscal period, obtain, and inspect the corresponding bank statement and reconciliation for selected each account and observe that:

A listing of bank accounts was provided and included one bank account. Management identified the entity's main operating account.

From the listing provided, we obtained the bank reconciliation for the month ending July 31, 2023, and subjected to the below procedures.

i.) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

No exceptions noted.

ii.) Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

There was no written evidence that a member of management or a board member who does not handle cash, post ledgers, or issues checks has reviewed the bank reconciliation.

iii.) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

There were no reconciling items that have been outstanding for more than 12 months from the statement closing date. No exceptions noted.

4) *Collections (excluding electronic funds transfers)*

A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

A listing of deposit sites was provided and included a total of 1 deposit site.

From the listing provided, we randomly selected all of the deposit sites and performed the procedures below.



Louisiana Rural Ambulance Alliance
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

i.) Employees responsible for cash collections do not share cash drawers/registers.

No exceptions noted.

ii.) Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

No exceptions noted.

iii.) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

No exceptions noted.

iv.) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee verifies the reconciliation.

No exceptions noted.

C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was in force during the fiscal period.

No exceptions noted.

D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

Two deposit dates were selected and supporting documentation was obtained.



i.) Observe that receipts are sequentially pre-numbered.

No cash was received with the two deposits selected for testing; therefore, sequentially pre-numbered receipts were not used. No exceptions noted.

ii.) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exceptions noted.

iii.) Trace the deposit slip total to the actual deposit per the bank statement.

No exceptions noted.

iv.) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

No exceptions noted.

v.) Trace the actual deposit per the bank statement to the general ledger.

No exceptions noted.

5) Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations. (or all locations if less than 5).

The listing of locations that process payments for the fiscal period was provided. The entity has one location for processing payments.

B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

The listing of employees involved with non-payroll purchasing and payment functions for each payment processing location selected in procedure #5 was provided.



Louisiana Rural Ambulance Alliance
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

i.) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

No exceptions noted.

ii.) At least two employees are involved in processing and approving payments to vendors;

No exceptions noted.

iii.) The employee responsible for processing payments is prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to vendor files;

No exceptions noted.

iv.) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

The individual who is responsible for preparing/processing payments is also responsible for mailing checks.

v.) Only employees/officials authorized to sign checks approves the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

No exceptions noted.

C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each and:

A listing of non-payroll disbursements for each payment processing location selected in procedures #5A was provided related to the reporting period.

From each of the listings provided, we randomly selected 5 disbursements and performed the procedures below.

i.) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

No exceptions noted.



ii.) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

No exceptions noted.

D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

No exceptions noted.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

A listing of all active credit cards, bank debit cards, fuel cards, and purchase cards was obtained from management.

B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:

From the listing provided, we randomly selected 5 credit cards used in the fiscal period. We randomly selected one monthly statement for each of the 5 cards selected and performed the procedures noted below.

i.) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported).

No exceptions noted.



ii.) Observe that finance charges and late fees were not assessed on the selected statements.

No exceptions noted.

C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to inspection). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

We randomly selected 10 transactions for 3 of the 5 cards selected in procedure 6B (2 fuel cards excluded) and performed the specified procedures. No exceptions noted.

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

The listing of travel and travel-related expense reimbursements was provided for the fiscal period.

From the listing provided, we randomly selected 5 reimbursements and performed the procedures below.

i.) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

Of the 5 reimbursements selected for our procedures, none used a per diem.

ii.) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Of the 5 reimbursements selected for our procedures, 5 used actual costs. No exceptions noted.



iii.) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and

No exceptions noted.

iv.) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted.

8) Contracts

A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

The listing of all agreements/contracts that were initiated or renewed during the fiscal period was provided.

From the listing provided, we randomly selected 5 contracts and performed the procedures below.

i.) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

No exceptions noted.

ii.) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

No exceptions noted.

iii.) If the contract was amended (e.g. change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval).

The original contract terms did not provide for such an amendment in 1 of 5 instances. The other 4 contracts did not have amendments.



iv.) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions noted.

9) Payroll and Personnel

A. Obtain a listing of employee and elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

A listing of employees/elected officials employed during the fiscal year was not provided due to the entity not having any employees. This section is N/A.

B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and:

i.) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

N/A

ii.) Observe whether supervisors approved the attendance and leave of the selected employees or officials;

N/A

iii.) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

N/A

iv.) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

N/A

C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to the entity policy.

N/A



D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

N/A

10) Ethics

A. Using the 5 randomly selected employees/officials from "Payroll and Personnel" procedure #9A obtain ethics documentation from management, and:

The entity does not have any employees. This section is N/A.

i.) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

N/A

ii) Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

N/A

B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

N/A

11) Debt Service

A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all and other debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

The entity has no debt.



B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

The entity has no debt.

12) Fraud Notice

A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriations to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

Management represented there were no misappropriations of public funds or assets during the fiscal period. No exceptions were noted as a result of performing this procedure.

B. Observe the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions noted.

13) Information Technology Disaster Recovery/Business Continuity

A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

i.) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

We performed the procedure and discussed the results with management.

ii.) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past three months.

We performed the procedure and discussed the results with management.



iii.) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

The entity does not have any employees. This section is N/A.

B. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

The entity does not have any employees. This section is N/A.

B. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe the report includes the applicable requirements of R.S. 42:344:

The entity does not have any employees. This section is N/A

i.) Number and percentage of public servants in the agency who have completed the training requirements;

N/A

ii.) Number of sexual harassment complaints received by the agency;

N/A

iii.) Number of complaints which resulted in a finding that sexual harassment occurred;

N/A

iv.) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

N/A

v.) Amount of time it took to resolve each complaint.

N/A





LOUISIANA RURAL AMBULANCE ALLIANCE

RESPONSE - POLICY - EDUCATION

June 20, 2024

Louisiana Legislative Auditor

The Louisiana Rural Ambulance Alliance (Alliance) respectfully submits the following corrective action plan for the year ended December 31, 2023.

Name and address of independent public accounting firm:

EisnerAmper LLP
8550 United Plaza Blvd., Suite 1001
Baton Rouge, LA 70809

Financial Statement Period: January 1, 2023 - December 31, 2023

The findings from the Report of Statewide Agreed-Upon Procedures on Compliance and Control Areas are discussed below. The findings are numbered consistently with the numbers assigned on the Report of Statewide Agreed-Upon Procedures on Compliance and Control Areas.

I. Written Policies and Procedures

i.) Budgeting

Management's Response: The Louisiana Rural Ambulance Alliance will amend its current policies and procedures to ensure the policies address preparing, adopting, monitoring, and amending the budget.

v.) Payroll/Personnel

Management's Response: The Louisiana Rural Ambulance Alliance shall amend written policies and procedures regarding payroll, as applicable, to address the approval process for employee rates of pay or approval and maintenance of pay rate schedules.

vi.) Contracting

Management's Response: The Louisiana Rural Ambulance Alliance shall amend its current contracting policies to include necessary items such as standard terms and conditions and legal review.

viii.) Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)

Management's Response: The Louisiana Rural Ambulance Alliance shall amend its current credit cards policy to include the following items: 1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel car purchases).

ix.) Ethics

Management's Response: The Louisiana Rural Ambulance Alliance shall amend its current ethics policies to include the following items: (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken in an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

xi.) Information Technology Disaster Recovery/Business Continuity

Management's Response: The Louisiana Rural Ambulance Alliance shall implement policies and procedures, as applicable, to cover information technology disaster recovery which include the following items: (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

xii.) Sexual Harassment

Manager's Response: The Louisiana Rural Ambulance Alliance shall implement policies and procedures, as applicable, to cover sexual harassment in the workplace including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

2. Board or Finance Committee

iv.) Manager's Response: The Chief Executive Officer shall provide the Louisiana Rural Ambulance Alliance Board of Directors a verbal and written update on the progress of resolving audit findings, according to management's corrective action plan at each meeting until the findings are considered fully resolved. Evidence of reporting shall be captured in the official meeting minutes.

3. Bank Reconciliations

ii.) Management's Response: The Louisiana Rural Ambulance Alliance's policy is to have a member of management/board review bank statements and reconciliations monthly. This review is performed monthly; however, the Louisiana Rural Ambulance Alliance will ensure proper documentation of this review process is maintained.

5. Non-Payroll Disbursements

iv.) Management's Response: The Louisiana Rural Ambulance Alliance strives to maintain a very small number of employed staff. As such, this requirement is not cost feasible for the number of staff members currently employed within the organization.

8. Contracts

iii.) Management's Response: The Louisiana Rural Ambulance Alliance shall amend its current contracting policies to address contract amendments and amendment approval requirements for all agreements and/or contracts.

The above corrective action plan addresses the current year's findings. If you need additional information concerning the corrective action plan, please contact me at your convenience.

Sincerely,

A handwritten signature in black ink, reading "Shane J. Bellard". The signature is written in a cursive style with a large initial "S".

Shane J Bellard
Chief Executive Officer
Louisiana Rural Ambulance Alliance

To the Board of Directors
Louisiana Rural Ambulance Alliance
Napoleonville, LA

We have audited the financial statements of the Louisiana Rural Ambulance Alliance (the Alliance) for the year ended December 31, 2023, and have issued our report thereon dated June 20, 2024. As part of our audit, we gain an understanding of internal accounting control to the extent we considered necessary to evaluate the system as required by auditing standards generally accepted in the United States of America. Under these standards, the purposes of such understanding is to establish a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Alliance's internal control.

The objective of internal control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of the financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

No matter how good a system, there are inherent limitations that should be recognized in considering the potential effectiveness of internal accounting. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally by management either with respect to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the degree of compliance with the procedures may deteriorate. We say this simply to suggest that any system needs to be constantly reviewed and improved where necessary.

However, during the course of our audit, we became aware of several matters that are opportunities for strengthening internal controls or operating efficiency. Our comments and suggestions regarding those matters are set forth below. This letter does not affect our reports dated June 20, 2024, on the financial statements of the Alliance or the Alliance's internal control over financial reporting.

ML 2023-001 Reconciliation and Review

Condition: Monthly financial statements and monthly bank reconciliations are prepared by a third-party accountant. However, there is no evidence of management's review of the bank reconciliations, and there is no evidence the monthly financial statements are reconciled to supporting schedules.

Recommendations: The review of monthly financial statements and bank statement reconciliations by management should include documentary evidence of their review. This evidence could consist of the reviewer's initials and date of review.

Management's Response: See management's response attached.

ML 2023-002 Open Meeting Laws

Condition: The Alliance is subject to open meetings laws. Management has asserted that such documents were properly posted; however, no such documentation was provided to support management's assertion other than an unmarked copy of the notices and agenda.

Recommendations: The Alliance should retain adequate documentation to ensure compliance with open meetings laws.

Management's Response: See management's response attached.

Status of Prior Year Management Letter Comments

2022-001 Reconciliation of Grant Expenses

Condition: Disbursements that are eligible for reimbursement under grant awards are properly segregated and recorded in the accounting records. In order to submit a request for reimbursement, a spreadsheet is prepared for each grant using these invoices. However, neither the spreadsheet nor the grant reimbursement request is reconciled to the accounting records.

Current Status: Due to the significance of the grant revenues received in the current fiscal year, this repeat finding was considered a significant deficiency in internal controls and reported in the schedule of findings and recommendations as item 2023-001 - Reconciliation of Grant Expenses.



We have already discussed these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience. We would also welcome any opportunity to perform any additional study of these matters or to assist you in implementing the recommendations. We would also like to thank the Alliance's staff for their cooperation with us during the audit.

This information is intended solely for the information and use of the Board and management of the Louisiana Rural Ambulance Alliance and is not intended to be and should not be used for any other purpose.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
June 20, 2024

EISNERAMPER
LLP





LOUISIANA RURAL AMBULANCE ALLIANCE

RESPONSE - POLICY - EDUCATION

June 20, 2024

Louisiana Legislative Auditor

The Louisiana Rural Ambulance Alliance (Alliance) respectfully submits the following corrective action plan for the year ended December 31, 2023.

Financial Statement Period: January 1, 2023 – December 31, 2023

Name and address of independent public accounting firm:

EisnerAmper LLP

8550 United Plaza Blvd., Suite 1001

Baton Rouge, LA 70809

The findings from the Management Letter are discussed below. The findings are numbered consistently with the numbers assigned in the Management Letter.

ML 2023-001 Reconciliation and Review

Condition: Monthly financial statements and monthly bank reconciliations are prepared by a third-party accountant. However, there is no evidence of management's review of the bank reconciliations, and there is no evidence the monthly financial statements are reconciled to supporting schedules.

Recommendations: The review of monthly financial statements and bank statement reconciliations by management should include documentary evidence of their review. This evidence could consist of the reviewer's initials and date of review.

Management's Response: The Louisiana Rural Ambulance Alliance shall implement policies and procedures requiring that the Chief Executive Officer receive a complete monthly financial report for each month as soon as it becomes available. Upon review of the monthly financial report, the Chief Executive Officer shall provide a signature on the first page of the report as



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evidence of review along with the date of review. The reviewed and signed financial report shall then be submitted to the Administrator for recordkeeping purposes.

ML 2023-002 Open Meeting Laws

Condition: The Alliance is subject to open meeting laws. Management has asserted that such documents were properly posted; however, no such documentation was provided to support management's assertion other than an unmarked copy of the notices and agenda.

Recommendations: The Alliance should retain adequate documentation to ensure compliance with open meeting laws.

Management's Response: The Louisiana Rural Ambulance Alliance shall continue its current practice of posting meeting notices. Meeting notices shall be posted a minimum of 72 hours prior to the start of the meeting and shall include the meeting name, date the meeting is to be held, start time, and full address of the meeting location. Following the meeting, the posting shall be removed, signed and dated by the Administrator or Chief Executive Officer, and appropriately filed for recordkeeping purposes. The Louisiana Rural Ambulance Alliance shall develop a policy and procedure addressing the posting of meeting notices.

The above corrective action plan addresses the current year's findings. If you need additional information concerning the corrective action plan, please contact me at your convenience.

Sincerely,

Shane J Bellard
Chief Executive Officer
Louisiana Rural Ambulance Alliance