

**DAVID RAINES COMMUNITY
HEALTH CENTER, INC.**

AUDITED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED DECEMBER 31, 2024
(With Summarized Financial
Information for 2023)**

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
December 31, 2024
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
David Raines Community Health Center, Inc.
Shreveport, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of David Raines Community Health Center, Inc., (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of operations 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 David Raines Community Health Center, Inc., as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of David Raines Community Health Center, Inc., and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 David Raines Community Health Center, Inc.'s, ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's 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 generally 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 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 David Raines Community Health Center, Inc.'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 David Raines Community Health Center, Inc.'s, ability to continue as a going concern for a reasonable period of time.

We are required to communicate with 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.

Report on Summarized Comparative Information

We have previously audited David Raines Community Health Center, Inc.'s, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 28, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 21 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2025, on our consideration of David Raines Community Health Center, Inc.'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 David Raines Community Health Center, Inc.'s, internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering David Raines Community Health Center, Inc.'s, internal control over financial reporting and compliance.

Brown, Eyring & Co.

Ridgeland, Mississippi
September 16, 2025

EXHIBIT I

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Statement of Financial Position
December 31, 2024
(With Summarized Financial Information for 2023)

<u>ASSETS</u>	<u>2024</u>	<u>2023</u>
Current Assets:		
Cash and cash equivalents	\$ 465,770	\$ 997,246
Certificates of deposit	2,242,680	2,144,506
Patient care receivables, less allowance of \$204,919 for credit losses	983,384	1,100,266
Grants receivable	51,640	53,935
Accounts receivable - other	111,099	387,447
Inventory - pharmacy	231,063	246,206
Prepaid expenses	140,766	122,227
Total Current Assets	<u>4,226,402</u>	<u>5,051,833</u>
Fixed Assets:		
Land	111,302	111,302
Building and improvements	6,700,984	5,375,231
Furniture and equipment	3,515,920	3,280,541
Construction in progress	201,940	1,031,683
Vehicles	1,167,660	722,315
	11,697,806	10,521,072
Less: Accumulated depreciation	<u>(5,533,396)</u>	<u>(5,073,325)</u>
Net Fixed Assets	<u>6,164,410</u>	<u>5,447,747</u>
Other Assets:		
Right of use asset, net of current portion	307,616	144,659
Other Assets	45,988	273,804
Total Other Assets	<u>353,604</u>	<u>418,463</u>
TOTAL ASSETS	<u>\$ 10,744,416</u>	<u>\$ 10,918,043</u>

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

EXHIBIT I
(Continued)

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Statement of Financial Position
December 31, 2024

<u>LIABILITIES AND NET ASSETS</u>	<u>2024</u>	<u>2023</u>
Current Liabilities:		
Accounts payable	\$ 723,430	\$ 787,994
Line of credit payable	275,000	-
Other payroll deductions payable	867	36,513
Salaries payable	323,097	238,353
Accrued annual leave	241,622	233,961
Other current liabilities	233,281	124,479
Deferred revenue	16,906	132,225
Operating lease liability, current portion	81,102	85,793
Total Current Liabilities	<u>1,895,305</u>	<u>1,639,318</u>
Long-Term Liabilities		
Operating lease liability, net of current portion	<u>226,514</u>	<u>58,866</u>
Total Long-Term Liabilities	<u>226,514</u>	<u>58,866</u>
Total Liabilities	<u>2,121,819</u>	<u>1,698,184</u>
Net Assets without Donor Restrictions:		
Undesignated (Operating)	8,622,597	9,168,794
Net Assets with Donor Restrictions	-	51,065
Total Net Assets	<u>8,622,597</u>	<u>9,219,859</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 10,744,416</u>	<u>\$ 10,918,043</u>

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

EXHIBIT II

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Statement of Operations and Changes In Net Assets
For the Year Ended December 31, 2024
(With Summarized Financial Information for 2023)

	Without Donor Restrictions	With Donor Restrictions	2024	2023
SUPPORT AND REVENUES				
Support:				
Grants and contracts	\$ 5,577,713	-	\$ 5,577,713	\$ 6,784,315
Net assets released from restrictions				
Satisfaction of program restriction	51,065	(51,065)	-	-
Total Support	<u>5,628,778</u>	<u>(51,065)</u>	<u>5,577,713</u>	<u>6,784,315</u>
Revenue:				
Health care services, net of charity, bad debts and contractual adjustments of \$(14,105,157)	10,389,946	-	10,389,946	9,218,604
340B income, net	69,891	-	69,891	72,056
Interest income	103,965	-	103,965	79,474
Other income	<u>1,115,651</u>	<u>-</u>	<u>1,115,651</u>	<u>1,685,080</u>
Total Revenue	<u>11,679,453</u>	<u>-</u>	<u>11,679,453</u>	<u>11,055,214</u>
TOTAL SUPPORT AND REVENUES	<u>17,308,231</u>	<u>(51,065)</u>	<u>17,257,166</u>	<u>17,839,529</u>
EXPENSES				
Program Services				
Health care services	<u>9,032,994</u>	<u>-</u>	<u>9,032,994</u>	<u>8,857,771</u>
Total Program Services	<u>9,032,994</u>	<u>-</u>	<u>9,032,994</u>	<u>8,857,771</u>
Supporting Services				
Management and general	<u>8,821,434</u>	<u>-</u>	<u>8,821,434</u>	<u>7,403,898</u>
Total Supporting Services	<u>8,821,434</u>	<u>-</u>	<u>8,821,434</u>	<u>7,403,898</u>
TOTAL EXPENSES	<u>17,854,428</u>	<u>-</u>	<u>17,854,428</u>	<u>16,261,669</u>
Change in Net Assets	(546,197)	(51,065)	(597,262)	1,577,860
Net Assets, Beginning of Year	9,168,794	51,065	9,219,859	7,798,643
Prior period adjustment	-	-	-	(156,644)
Net Assets, as restated	<u>9,168,794</u>	<u>51,065</u>	<u>9,219,859</u>	<u>7,641,999</u>
NET ASSETS, END OF YEAR	<u>\$ 8,622,597</u>	<u>-</u>	<u>\$ 8,622,597</u>	<u>\$ 9,219,859</u>

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

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Statement of Functional Expenses
For the Year Ended December 31, 2024
(With Summarized Financial Information for 2023)

	PROGRAM SERVICES		SUPPORTING SERVICES		
	Health Care Services	Total Program Services	Management and General	2024	2023
Personnel	\$ 7,882,430	7,882,430	2,918,028	\$ 10,800,458	\$ 9,753,084
Fringe benefits	549,804	549,804	1,218,138	1,767,942	1,462,452
Travel	31,799	31,799	50,259	82,058	214,957
Supplies	323,374	323,374	628,102	951,476	937,303
Equipment rental	-	-	52,597	52,597	22,609
Contractual	57,899	57,899	2,241,667	2,299,566	2,296,104
Legal	-	-	11,353	11,353	9,131
Dues and subscriptions	4,193	4,193	37,921	42,114	55,475
Utilities	-	-	126,388	126,388	132,780
Repairs and maintenance	6,461	6,461	170,947	177,408	134,966
Insurance	-	-	203,182	203,182	144,212
Staff recruitment	22	22	150	172	-
Public relations	46,308	46,308	1,604	47,912	39,079
Security	-	-	10,685	10,685	-
Training and development	14,774	14,774	44,038	58,812	69,045
Telephone	19,805	19,805	193,585	213,390	227,868
Postage	-	-	14,062	14,062	-
Printing	28,017	28,017	23,560	51,577	188,989
Space cost	4,085	4,085	99,664	103,749	97,348
Interest	-	-	165	165	601
Bank charges	44	44	15,211	15,255	16,550
Food and beverage	14,996	14,996	27,645	42,641	38,964
Licenses	3,521	3,521	-	3,521	-
Board expenses	-	-	1,076	1,076	7,340
Property and other taxes	-	-	196,758	196,758	79,705
Stipends	-	-	-	-	3,700
Other	45,462	45,462	69,262	114,724	31,486
Total expenses before depreciation	9,032,994	9,032,994	8,356,047	17,389,041	15,963,748
Depreciation	-	-	465,387	465,387	297,921
Total Expenses	\$ 9,032,994	9,032,994	8,821,434	\$ 17,854,428	\$ 16,261,669

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

EXHIBIT IV

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Statement of Cash Flows
December 31, 2024
(With Summarized Financial Information for 2023)

CASH FLOWS USED FOR OPERATING ACTIVITIES:

	2024	2023
Changes In Net Assets	\$ (597,262)	\$ 1,577,860
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	465,387	297,921
Disposal of fixed asset	(5,315)	-
Decrease (increase) in:		
Patient care receivables	116,882	(398,359)
Inventory	15,143	(43,655)
Other receivable	276,348	(208,479)
Grants receivable	2,295	46,323
Prepaid expenses	(18,539)	(40,395)
Other assets	227,816	(246,616)
Increase (decrease) in:		
Accounts payable	(64,565)	538,393
Payroll taxes payable	-	(11,509)
Other payroll deductions payable	(35,648)	(105,821)
Deferred revenue	(115,319)	132,225
Other liabilities	108,801	41,485
Accrued annual leave	7,664	(24,697)
Accrued salary payable	84,744	18,426
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>468,432</u>	<u>1,573,102</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	-	(1,798,384)
Interest earned on investments	(98,174)	(44,506)
Acquisition of fixed assets	<u>(1,176,734)</u>	<u>(1,510,656)</u>
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>(1,274,908)</u>	<u>(3,353,546)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from line of credit	<u>275,000</u>	<u>-</u>
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	<u>275,000</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	(531,476)	(1,780,444)
CASH, BEGINNING OF YEAR	<u>997,246</u>	<u>2,777,690</u>
CASH, END OF YEAR	<u>\$ 465,770</u>	<u>\$ 997,246</u>
<u>Supplemental Disclosure of Cash Flow Information:</u>		
Cash paid during the year for:		
Interest expense	<u>\$ 165</u>	<u>\$ 601</u>

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

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Notes to the Financial Statements
December 31, 2024

NOTE 1 - ABOUT THE ORGANIZATION

David Raines Community Health Center, Inc. (DRCHC), a non-profit corporation was incorporated in the State of Louisiana on May 19, 1992. DRCHC was incorporated for the purpose of delivering comprehensive primary health care services to all individuals and families in the surrounding contiguous areas.

The fiscal year of DRCHC, is July 1 through June 30.

Effective January 1, 2021, the fiscal year of DRCHC will be January 1 through December 31.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Basis of Accounting - The financial statements of David Raines Community Health Center, Inc., are presented on the accrual basis of accounting.
- B. Basis of Presentation - The Organization is required to report information regarding its financial position and operations according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. In addition, the Organization is required to present a statement of functional expenses and cash flows.
- C. Cash and Cash Equivalents - For purposes of the statement of cash flows, cash equivalents with original maturities of three months or less that are not restricted for specific purposes.
- D. Donated Property and Equipment - Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.
- E. Donated Services - Donated services are recognized as contributions in accordance with FASB ASC 958-605-30-4, Accounting for Contributions Received and Contributions Made, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Center.
- F. Expense Allocation - The cost of providing various programs and other activities have been summarized on a functional basis in the Statement of Operations and Changes in Net Assets and in the Statement of Functional Expenses. Certain costs attributable to more than one function have been allocated based on various methods including square footage and percent of time dedicated to each function.

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Notes to the Financial Statements
December 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- G. Fund Accounting - The accounts of the Organization are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups.
- H. Property and Equipment - Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method. Assets acquired with a unit cost of \$5,000 is capitalized and depreciated over their estimated useful lives.

The Federal Government has a reversionary interest in property purchased with federal funds. Its disposition, as well as any disposition proceeds is subject to federal regulations. The use of assets purchased with federal funds is limited to the purposes intended by the funding source.

- I. Restricted and Unrestricted Revenue and Support - Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restriction are reclassified to net assets without donor restrictions and reported in the Statement of Operations and Changes in Net Assets as net assets released from restrictions. Federal grant awards are classified as refundable advances until expended for the purposes of the grants since they are conditional promises to give.
- J. Employees' Annual Leave - DRCHC, charges annual leave earned by employees which has not been used by them at the end of a period to the period that the leave is earned.
- K. Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
- L. Patient Service Fees - Revenue for services rendered to patients are recorded at standard rates established by the Organization. The difference between standard rates and the amounts collected from third-party payors and patients qualifying as Poverty Patients is charged as an adjustment to gross revenues.
- M. Reclassifications - Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Notes to the Financial Statements
December 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- N. Allowance for Credit Losses - The Organization provides an allowance for credit losses based upon a review of outstanding patient receivables, historical collection information and existing economic conditions. Accounts are considered delinquent and subsequently written off as bad debts based on individual credit evaluation and specific circumstances of the account.
- O. Classification of Net Assets - Net Assets of DRCHC, are classified based on the presence or absence of donor-imposed restrictions. Net Assets are comprised of two groups as follows:
- a) Net Assets Without Donor Restrictions - Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.
- b) Net Assets With Donor Restrictions - Assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the organization. Certain restrictions may need to be maintained in perpetuity.

NOTE 3 - FINANCIAL INSTRUMENTS

The following methods and assumptions were used by the Organization in estimating its fair value disclosures for financial instruments:

Cash and cash equivalents: the carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

The estimated fair values of the Organization's financial instruments, none of which are held for trading purposes, are as follows:

Financial assets:	Carrying Amount	Fair Value
Cash and cash equivalents	\$ 465,770	\$ 465,770
Certificates of deposit	\$ 2,242,680	\$ 2,242,680

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Notes to the Financial Statements
December 31, 2024

NOTE 4 - CONCENTRATIONS OF CREDIT RISK ARISING FROM DEPOSITS IN EXCESS OF INSURED LIMITS

The Organization maintains its cash balances in four (4) financial institutions located in Shreveport, Louisiana. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2024, the Organization had an uninsured cash balance of \$2,258,636. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on its cash and cash equivalents.

NOTE 5 - LIQUIDITY AND AVAILABILITY

David Raines Community Health Centers, Inc., maintains liquid financial assets to cover seventy-nine (79) days of general expenditures as of December 31, 2024. The Organization manages its liquidity and reserves following three guiding principles: to operate with financial prudence and stability; to maintain adequate liquid assets to meet short-term operating needs; and to maintain sufficient liquid assets to ensure that long-term obligations are properly met.

The Organization forecasts its future cash flows on a daily basis and monitors liquidity daily and monthly. Cash reserves invested are monitored and evaluated quarterly. Financial assets in excess of daily cash requirements are invested in certificates of deposit. The Organization also maintains an open line of credit with Capital One Bank.

The following table reflects the Organization's financial assets as of December 31, 2024 reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date either because of contractual restrictions or internal board designations.

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	2024
Cash and cash equivalents	\$ 465,770
Certificates of Deposit	2,242,680
Patient receivable, net	892,843
Pharmacy receivable	90,541
Grants Receivable	51,640
Total financial assets	<u>3,743,474</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,743,474</u>

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Notes to the Financial Statements
December 31, 2024

NOTE 6 - PATIENT AND PHARMACY RECEIVABLES AND RELATED ALLOWANCE FOR CREDIT LOSSES

Patient and pharmacy accounts receivable, prior to adjustment for the allowance for credit losses, is summarized as follows at December 31, 2024:

<u>Accounts receivable:</u>	<u>Amount</u>
Patients	\$ 163,625
Government	581,879
Other	442,799
	<u>\$ 1,188,303</u>

Allowance for credit losses is summarized as follows at December 31, 2024

<u>Allowance :</u>	<u>Amount</u>
Patients	\$ 50,521
All Other	154,398
	<u>\$ 204,919</u>

NOTE 7 - PATIENT SERVICE REVENUE

A summary of patient service revenue, net of contractual adjustments and discounts, is as follows at December 31, 2024:

<u>Patient Service Revenue</u>	<u>Amount</u>
Patient Service Revenue	\$ 24,495,103
Less: Contractual adjustment under third-party reimbursement program and discounts	(14,080,069)
Provision for bad debts	(25,088)
Net Patient Service Revenue	<u>\$ 10,389,946</u>

NOTE 8 - FIXED ASSETS

The following is a summary schedule of fixed assets and related accumulated depreciation at December 31, 2024:

<u>Assets</u>	<u>Cost</u>
Land	\$ 111,302
Buildings and Improvements	6,700,984
Furniture and Equipment	3,515,920
Construction in Progress	201,940
Vehicles	1,167,660
Total Fixed Assets	11,697,806
Less: Accumulated Depreciation	(5,533,396)
Net Fixed Assets	<u>\$ 6,164,410</u>

Depreciation expense for the year ended December 31, 2024 amounted to \$465,387.

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Notes to the Financial Statements
December 31, 2024

NOTE 9 - CORPORATE INCOME TAXES

The Organization is exempt from corporate Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes. Therefore, no provision has been made for Federal or state corporate income taxes in the accompanying financial statements.

The Organization has analyzed its tax positions taken for filings with the Internal Revenue Service. It believes that its tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on its financial condition, results of operations, or cash flows. The Organization's federal and state income tax returns for 2021, 2022, and 2023 are subject to examination by the federal, state, and local taxing authorities, generally for three years after they are filed.

NOTE 10 - RETIREMENT PLAN

The Organization has a Section 403(b) retirement annuity plan on all eligible employees. Currently, the Organization contributes to the plan three percent (3%) of gross wages. Each employee is allowed to contribute up to six percent (6%) of gross wages. The retirement expense for the year ended December 31, 2024 is \$143,518.

NOTE 11 - COMMITMENT AND CONTINGENCIES

Annual Leave

The cost of employee's unused annual leave at December 31, 2024 in the amount of \$241,622 is included in the financial statements. See Note 2.J. above.

NOTE 12 - SUMMARY OF FUNDING AND SUPPORT

David Raines Community Health Center's, operations are funded through restricted grants from the U.S. Department of Health and Human Services. Other grants and contracts are received from state and local government agencies. The grants and contracts for the current period are shown below.

Source	Grant Number	Period	Amount
U.S. Department of HHS (Health Center Cluster)	H80CS00720	1/1/24- 12/31/24	\$ 4,215,790
U.S. Department of HHS - Bridge Access Grant	H8LCS50931	1/1/24- 12/31/24	12,273
U.S. Department of HHS - School Based	H2ECS45592	1/1/24- 12/31/24	24,090
U.S. Department of HHS - American Rescue Plan	C8ECS44386	1/1/24- 12/31/24	761,359
U.S. Department of HHS - Health Center Infrastructure Support	H8F41274C6	1/1/24- 12/31/24	214,131
Louisiana State Department of Health and Hospitals (WIC)	720173	1/1/24- 12/31/24	317,570
Tulane School of Medicine	N/A	1/1/24- 12/31/24	32,500
TOTAL			<u>\$ 5,577,713</u>

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Notes to the Financial Statements
December 31, 2024

NOTE 13 - BANK LINE OF CREDIT PAYABLE

David Raines Community Health Center, Inc. has available a secured line-of-credit agreement with Carter Credit Union in which David Raines Community Health Center, Inc. may borrow up to \$1,000,000. Borrowing under the line bears interest at 7.0%. As of December 31, 2024, David Raines Community Health Center, Inc.'s outstanding balance on the line-of-credit was \$275,000.

NOTE 14 - NET ASSETS RELEASED FROM RESTRICTIONS

Net assets with donor restrictions were released from restrictions by satisfying the specified purpose at December 31, 2024:

Renovation/Operations costs for school based clinics	
Christus Health	\$ 18,484
Community Foundation of North Louisiana	<u>32,581</u>
TOTALS	<u>\$ 51,065</u>

NOTE 15 - LITIGATION

David Raines Community Health Center, Inc., maintains general liability, property, fidelity, managed care professional liability, directors and officers and other insurance coverage in amounts the Organization believes to be adequate. The Organization requires contracting health care providers to maintain malpractice insurance coverage in amounts customary in the industry.

In the ordinary course of its business, David Raines Community Health Center, Inc., is a party to claims and legal actions by enrollees, providers, and others. After consulting with legal counsel, the Organization is of the opinion that any liability that may ultimately be incurred as a result of these claims, legal actions, audits, or investigations will not have a material adverse effect on the financial position or results of operations of David Raines Community Health Center, Inc.

NOTE 16 - ADVERTISING

David Raines Community Health Center, Inc., uses advertising to promote its programs among the communities it serves. The production costs of advertising are expensed as incurred. During the year ended December 31, 2024, advertising cost totaled \$86,762.

NOTE 17 - CONCENTRATION OF CONTRIBUTIONS OR GRANTS

Approximately 30% of the Organization's funding is provided by direct grants from the U. S. Department of Health and Human Services.

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Notes to the Financial Statements
December 31, 2024

NOTE 18 - LEASES

The clinic leases facilities under a long-term non-cancelable operating lease arrangement. The lease expires in 2034. An operating lease provides for increases in future minimum annual rental payments. Operating leases with a term of 12 months or less are not recorded on the statement of financial position.

Total right-of-use assets and lease liabilities at December 31, 2024 are as follows:

Lease Assets - Classification in Statement of Financial Position

Operating lease right-of-use	\$ <u>307,616</u>
Total leased right-of-use assets	\$ <u>307,616</u>

Lease Liabilities - Classification in Statement of Financial Position

Operating lease liabilities	\$ <u>307,616</u>
Total leased liabilities	\$ <u>307,616</u>

Future minimum lease payments required under operating and finance leases that have an initial or remaining non-cancelable lease term in excess of one year are as follows:

<u>Years Ending December 31,</u>	<u>Operating Amount</u>
2025	\$ 86,778
2026	26,928
2027	26,928
2028	26,928
2029	26,928
Thereafter	<u>134,649</u>
Total lease payments	329,139
Less imputed interest	<u>(21,523)</u>
Present value of liability	\$ <u>307,616</u>

NOTE 19 - GRANT BALANCES AND GRANT CONDITIONS

The Organization has responsibility for expending grant funds in accordance with specified instructions from its funding sources. Any deficits resulting from over expenditures and/or questioned costs are the responsibility of the Organization.

Any unexpended grant funds at the end of the grant period may be refundable or carried over to the following period at the discretion of the funding sources. Notwithstanding the audits by independent certified public accountants, all costs included in this report remain subject to audit by the agencies providing financial support within the limits of the Uniform Guidance. The determination as to whether costs will be allowable or unallowable under the grants will be made by representatives of the funding sources having authority to make and enforce contracts.

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Notes to the Financial Statements
December 31, 2024

NOTE 20 - PRIOR PERIOD ADJUSTMENT

The organization identified the following adjustments to be made in the prior year financial statements to reflect the correction of fixed assets and accumulated depreciation:

	<u>December 31, 2023</u>	
	Balance as Previously Reported	Balance as Restated
	<u>Adjustments</u>	
Accumulated depreciation	\$ (5,077,106)	\$ (5,073,326)
Buildings & Improvements	5,479,256	5,375,232
Furniture/Equipment	2,604,487	2,548,087
Increase (decrease) in net assets	<u>\$ 3,006,637</u>	<u>\$ 2,849,993</u>

NOTE 21 - COMPARATIVE FINANCIAL STATEMENT INFORMATION

The financial statements include certain prior-year summarized information in total but not by net asset class. Prior-year information is not provided for the notes to the financial statements. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

NOTE 22 - SUBSEQUENT EVENTS

Events that occur after the Statement of Financial Position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provided evidence about conditions that existed at the Statement of Financial Position date require disclosure in the accompanying notes. Management of David Raines Community Health Center, Inc., evaluated the activity of the organization through September 16, 2025, which is the date the financial statements are available to be issued.

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Schedule of Expenditures of Federal Awards
December 31, 2024

Federal Grant/ Pass-Through Grantor Program Title	Federal Assistance Listing Number	Pass-Through Grant Number	Federal Expenditures
<u>U.S. Department of Health and Human Services</u>			
Health Resource & Service Administration			
Direct Program:			
Health Centers Cluster			
Consolidated Health Centers	93.224	H80CS00720	\$ 4,177,922
American Rescue Plan Act - Health Centers	93.224	H8F41274	761,359
Consolidated Health Centers - School Based	93.224	H2E45592	24,090
Bridge Access Program	93.527	H8LCS50931	12,273
Affordable Care Act Grants for New and Expanded Services Under the Health Care Program	93.527	H80CS00720	37,873
Total Health Centers Cluster			<u>5,013,517</u>
Direct Program:			
American Rescue Plan - Health Center Infrastructure Support	93.526	C8ECS44386	214,131
			<u>214,131</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>5,227,648</u>
<u>U. S. Department of Agriculture</u>			
Pass Through State of Louisiana			
Department of Health and Hospitals			
Women, Infant & Children Grant (WIC)	10.557	2000675378	317,570
			<u>317,570</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 5,545,218</u>

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Notes to Schedule of Expenditures of Federal Awards
December 31, 2024

BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of David Raines Community Health Center, Inc., under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of David Raines Community Health Center, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of David Raines Community Health Center, Inc.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

INDIRECT COST RATE

David Raines Community Health Center, Inc., does not have indirect cost and has elected not to use the 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

SUPPLEMENTARY INFORMATION

SCHEDULE A

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Schedule of Compensation, Benefits, Reimbursements, and Other Payments to Chief Executive Officer
For the Year Ended December 31, 2024

Louisiana Revised Statute (R.S.) 24:513(A)(3) as amended by Act 706 of the 2014 Regular Legislative Session requires that the total compensation, reimbursements, and benefits of an agency head or political subdivision head or chief executive officer related to the position, including but not limited to travel, housing, unvouchered expense, per diem, and registration fees to be reported as a supplemental report within the financial statement of local government and quasi-public auditees. In 2015, Act 462 of the 2015 Regular Session of the Louisiana Legislature further amended R.S. 24:513(A)(3) to clarify that nongovernmental entities or not-for-profit entities that received public funds shall report only the use of public funds for the expenditures itemized in the supplemental report.

No compensation paid from public funds

Agency Head: Willie C. White, III

Category	Amount	Total
Salary	\$ -	
Stipend	-	
PTO Buy Back	-	
Retroactive Pay	-	
Total salary		\$ -
Benefits:		
Health insurance	-	
Retirement	-	
Total benefits		-
Travel:		
Conferences	-	
Airfare and lodging	-	
Total travel		-
Total Compensation, Benefits, Travel, and Other Expenses		\$ -

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

To the Board of Directors of
David Raines Community Health Center, Inc.
Shreveport, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of David Raines Community Health Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statement of operations and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 16, 2025.

Report on Internal Control Over Financial Reporting

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

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

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. 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 accompanying schedule of findings and questioned costs as item 2024-001, that we consider to be a significant deficiency.

Report on Compliance and Other Matters

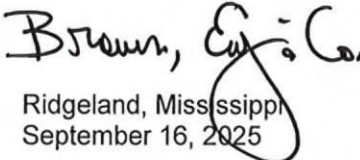
As part of obtaining reasonable assurance about whether David Raines Community Health Center, Inc.'s, financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which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

David Raines Community Health Center's Response to Findings

David Raines Community Health Center, Inc.'s, response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. David Raines Community Health Center, Inc.'s, response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.


Ridgeland, Mississippi
September 16, 2025

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

To the Board of Directors of
David Raines Community Health Center, Inc.
Shreveport, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited David Raines Community Health Center, Inc.'s, compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of David Raines Community Health Center, Inc.'s major federal programs for the year ended December 31, 2024. David Raines Community Health Center, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, David Raines Community Health Center, Inc., complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of David Raines Community Health Center, Inc., and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of David Raines Community Health Center, Inc.'s, compliance with the compliance

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to David Raines Community Health Center, Inc.'s, federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on David Raines Community Health Center, Inc.'s, compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about David Raines Community Health Center, Inc.'s, compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 David Raines Community Health Center, Inc.'s, compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of 's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of David Raines Community Health Center, Inc.'s, internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

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

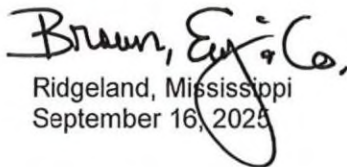
Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.


Ridgeland, Mississippi
September 16, 2025

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Summary Schedule of Prior Year Audit Findings
For the Year Ended December 31, 2024

There were no audit findings for the year ended December 31, 2023.

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Schedule of Findings and Questioned Costs
December 31, 2024

Section 1: Summary of Auditor's Results

Financial Statements:

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

Federal Awards:

- | | | |
|----|--|---------------|
| 4. | Type of auditor's report issued on compliance for major federal programs: | Unmodified |
| 5. | Internal control over major programs: | |
| a. | Material weaknesses identified? | No |
| b. | Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |
| 6. | Audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a)? | No |
| 7. | Federal programs identified as major programs: | |

NAME OF PROGRAM	ASSISTANCE LISTING NUMBER
Health Centers Cluster:	
Consolidated Health Centers	93.224
Affordable Care Act Grants for New and Expanded Services Under the Health Centers Program	93.527

- | | | |
|----|--|-----------|
| 8. | The dollar threshold used to distinguish between type A and type B programs: | \$750,000 |
| 9. | Auditee did qualify as a low-risk Auditee. | |

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
Schedule of Findings and Questioned Costs
December 31, 2024

Section 2 - Findings - Financial Statements Audit

2024-1

LATE SUBMISSION OF AUDIT REPORT

Significant Deficiency

Condition

The audit report for the year ended December 31, 2024 was not submitted by the statutory due date required by the Louisiana Legislative Auditor. However, the audit report was submitted by the approved non-emergency extension.

Cause

A significant turnover in fiscal staff resulted in the failure to comply with the Louisiana Legislative Auditor's financial reporting requirements.

Effect

The Organization is not in compliance with the Louisiana Legislative Auditor's financial reporting requirements.

Criteria

State of Louisiana Legislative Auditor's audit financial reporting requirement (R.S. 24:513 and 24:514)."

Auditor's Recommendation

The Organization should adopt internal administrative control procedures to ensure that all future audits are completed in a timely manner that allows for the timely submission of its annual audit to the Louisiana Legislative Auditor.

Section 3 - Findings and Questioned Costs - Major Federal Award Program Audit

NONE

DAVID RAINES COMMUNITY HEALTH CENTER, INC.
3041 Martin Luther King Jr., Drive
Shreveport, LA 71107

Corrective Action Plan

David Raines Community Health Center, Inc., respectfully submits the following corrective action plan for the year ended December 31, 2024.

Name and address of independent public accounting firm: Brown, Ewing & Co., 308 Highland Park Cove, Ridgeland, MS 39157.

Audit period: December 31, 2024

SECTION 2 - FINDING - FINANCIAL STATEMENT AUDIT

2024-1

LATE SUBMISSION OF AUDIT REPORT

Auditor's Recommendation

The Organization should adopt internal administrative control procedures to ensure that all future audits are completed in a timely manner that allows for the timely submission of its annual audit to the Louisiana Legislative Auditor.

Corrective Action:

The Chief Financial Officer has implemented a structured audit preparation timeline that aligns with the Louisiana Legislative Auditor's due dates and includes key internal deadlines for closing, reconciliation and review.