

**ST. AMANT'S DCH, INC.**  
Denham Springs, Louisiana

Financial Report

Year Ended September 30, 2020

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# KOLDER, SLAVEN & COMPANY, LLC

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
St. Amant's DCH, Inc.  
Denham Springs, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of St. Amant's DCH, Inc. (a nonprofit organization) (the Organization), which comprise the statement of financial position as of September 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of September 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, 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 February 12, 2021 on our consideration of the Organization'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 Organization'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 the Organization's internal control over financial reporting and compliance.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Abbeville, Louisiana  
February 12, 2021

## **FINANCIAL STATEMENTS**

ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Statement of Financial Position  
September 30, 2020

ASSETS

Current assets:

Cash and cash equivalents	
Administrative	\$ 6,059
General	6,766
Accounts receivable	5,405
Due from Department of Education	409,791
Other receivable	-
Prepaid expenses	<u>242</u>
Total current assets	<u>428,263</u>

Other assets:

Security deposit	<u>2,500</u>
Total assets	<u>\$ 430,763</u>

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable	\$ -
Payroll and related liabilities	36,031
Due to providers	404,777
Other liabilities	21,841
Line of credit	<u>19,000</u>
Total current liabilities	<u>481,649</u>

Net assets:

Without donor restrictions	<u>(50,886)</u>
Total liabilities and net assets	<u>\$ 430,763</u>

The accompanying notes are an integral part of this statement.

ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Statement of Activities  
For The Year Ended September 30, 2020

Revenues, Gains and Other Support	
Fundraising	\$ 150,878
Reimbursements:	
Administrative	884,890
Program	5,178,777
Other income	<u>37,542</u>
Total revenues, gains, and other support	<u>6,252,087</u>
Expenses -	
Program services	5,996,077
Supporting services:	
Fundraising expense	113,149
Management and general	<u>180,859</u>
Total expenses	<u>6,290,085</u>
Change in net assets	(37,998)
Net assets, beginning	<u>(12,888)</u>
Net assets, ending	<u>\$ (50,886)</u>

The accompanying notes are an integral part of this statement.

ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Statement of Functional Expenses  
For the Year Ended September 30, 2020

	Program Services	Management and General	Fundraising	Total Expenses
Advertising	-	25	-	25
Awards	-	-	56,865	56,865
Bank charges	-	2,057	297	2,354
Equipment	-	1,670	-	1,670
Equipment rental & maintenance	-	16,003	-	16,003
Insurance	199,994	-	312	200,306
Interest	-	897	-	897
Minute Menu	50,369	-	-	50,369
Miscellaneous	-	1,768	126	1,894
Office rent	-	32,460	36,560	69,020
Office and supplies	-	19,833	3,519	23,352
Postage and printing	-	9,207	-	9,207
Professional fees	-	58,366	-	58,366
Provider payments	5,180,170	-	-	5,180,170
Workers compensation	4,434	-	-	4,434
Salaries	457,262	12,205	14,329	483,796
Taxes - payroll	36,195	-	1,141	37,336
Telephone	-	15,210	-	15,210
Training/conference	-	5,466	-	5,466
Travel - monitoring	67,653	-	-	67,653
Utilities	-	5,692	-	5,692
Total	\$ 5,996,077	\$ 180,859	\$ 113,149	\$ 6,290,085

The accompanying notes are an integral part of this statement.



ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Statement of Cash Flows  
For The Year Ended September 30, 2020

Cash flows from operating activities:	
Change in net assets	\$ (37,998)
Adjustments to reconcile change in net assets to net cash flow from operating activities - (Increase) decrease in operating assets	
Accounts receivable	381
Due from Department of Education	(20,748)
Prepaid expenses	(37)
Other receivable	30,598
(Decrease) increase in operating liabilities	
Accounts payable	(10,422)
Payroll related liabilities	34,383
Due to providers	(411,534)
Other liabilities	<u>(11,732)</u>
Total adjustments	<u>(389,111)</u>
Net cash used in operating activities	<u>(427,109)</u>
Cash flows from capital and related financing activities:	
Payments on line of credit	(236,056)
Borrowings on line of credit	<u>186,056</u>
Net cash used in capital and related financing activities	<u>(50,000)</u>
Net decrease in cash and cash equivalents	(477,109)
Cash and cash equivalents, beginning of year	<u>489,934</u>
Cash and cash equivalents, end of year	
Administrative	6,059
General	<u>6,766</u>
Total	<u><u>12,825</u></u>
Supplementary cash flow information:	
Interest paid	<u><u>\$ 897</u></u>

The accompanying notes are an integral part of this statement.

ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

A. Nature of Activities

St. Amant's DCH, Inc. (hereafter referred to as the Organization) operates a Family Day Care Home Program under the Child and Adult Care Food Program, Section 17 of the Richard B. Russell National School Lunch Act. Under the provisions of this program, individuals who care for a small number of children in their homes are reimbursed for the costs of meals served to the children. The Organization monitors the composition of the meals to assure nutritional values, makes routine inspections of the homes to assure safety of the children who stay there, and acts as intermediary between the state and federal agencies who administer funds and the providers who care for the children. This program is funded totally by federal funds received from the State of Louisiana Department of Education and is the primary source of the Organization's revenues.

B. Income Tax Status

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. In addition, the Organization has been determined, by the Internal Revenue Service, not to be a private foundation within the meaning of Section 509(a) of the code. The Organization received its latest determination letter on August 13, 1993, in which the Internal Revenue Service stated that the Organization was in compliance with the applicable requirements of the Internal Revenue Code (IRC). Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has undertaken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Organization, and has concluded that there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

C. Financial Statement Presentation

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

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

ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Notes to Financial Statements

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

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid interest-bearing deposits with a maturity of three months or less when purchased to be cash equivalents.

E. Receivables

Receivables are stated at unpaid balances. The Organization maintains allowances for doubtful accounts for estimated losses resulting from the inability of its customers/vendors to make required payments. Because collection is expected at 100%, an allowance for doubtful accounts has not been recorded.

F. Property and Equipment

Property and equipment are valued at historical cost for assets purchased and at fair market value at the date of donation for contributed assets. The Organization maintains a threshold level of \$500 or more for capitalizing capital assets. Depreciable assets are depreciated using the straight-line method over the estimated useful lives of the individual assets as follows:

Furniture and equipment	5 – 7 years
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G. Revenue and Expense Recognition

The Organization recognizes revenues on the accrual basis of accounting. Expenses are recognized in the period incurred in accordance with the accrual basis of accounting. Fundraising revenue is recorded at gross proceeds. Material and direct fundraising costs are reported as fundraising expense in the statement of activities and other amounts are reported as program expenses. Proceeds generated from fundraisers are used for the general exempt purpose of the Organization or to supplement funding provided by grantors, unless the donor explicitly indicates a particular use in writing at the time of the fundraising event.

ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Notes to Financial Statements

H. Donated Services and Materials

The Organization recognizes donated services that (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Donated materials are valued at current market value at the time of the donation. Donated services and materials were considered to be immaterial.

I. Functional Allocation of Expenses

Expenses are summarized and categorized based on their function classification as either program or supporting services. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. Certain categories of expenses are attributable to more than one program or supporting function. Therefore, these expenses require allocation based on time used for those function.

J. Advertising Costs

The Organization uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred. Advertising expense was \$25.

K. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Concentration of Credit Risk

The Organization's cash is deposited in one financial institution. Cash accounts at banks are insured by the FDIC for up to \$250,000. The Organization's was not in excess of FDIC coverage as of September 30, 2020.

(3) Line of Credit

In July 2020, the Organization obtained a \$100,000 unsecured line of credit with a local bank, maturing July 8, 2021. Amounts borrowed under this agreement bear interest at the rate of 4.75%. At September 30, 2020, \$19,000 was outstanding on this line of credit.

ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Notes to Financial Statements

(4) Retirement Plan

The Organization offers employees, who meet predetermined eligibility requirements, to participate in the Organization's 401k. The Organization will match up to 3 percent of eligible employees' compensation for the fiscal year to the retirement account. The Organization's contribution was \$9,828.

(5) Operating Lease

The Organization is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations; therefore, the results of these agreements are not reflected in property and equipment.

The Organization entered into a lease beginning May 21, 2018 and ending on the last day of May 2021, with monthly payments of \$2,500. Additionally, the organization leases two copiers with Xerox. The lease was entered into January 2016 for a term of 60 months with monthly payments totaling \$1,249 per month. Rental expense for the year ended September 30, 2020 amounted to \$66,560.

<u>Year Ending</u>	<u>Amounts</u>
2021	<u>\$ 26,247</u>

(6) Risk Management

The Organization is exposed to risks of loss in the areas of general liability and property hazards. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year. Insurance settlements did not exceed insurance coverage.

(7) Commitments and Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Organization expects such amounts, if any, to be immaterial. Also, a liability for findings and questioned costs is not established until final disposition of such matters by the funding agency.

ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Notes to Financial Statements

In accordance with a legal settlement, the Organization entered into a promissory noted dated December 2018, with an unrelated organization, wherein they were held responsible for rent and other costs related to prematurely vacating their Hammond, LA location. In accordance with the agreement, the Organization is liable for back pay of rent from the day of the last payment made and has agreed to make payments in the following amounts:

<u>Year Ending</u>	<u>Amounts</u>
2021	\$ 12,000
2022	8,000
	<u>\$ 20,000</u>

The amount above has been recorded in Other Liabilities. Under the terms of the agreements, cash payments of \$2,000 were due from December 2018 through May 2019 and cash payments of \$1,000 are due from June 2019 through May 2022.

(8) Concentrations

The Organization received substantially all of its total revenue from the Department of Education, State of Louisiana through the U.S. Department of Agriculture Food and Nutrition Services, Family Day Care Home Program, under 7 CFR Part 226. The revenue received is reported on the Statement of Activities as Reimbursements: Administrative and Program. The Organization does not expect that the support from this governmental agency will be lost in the near-term; however, a change in this funding could substantially affect the operations of the Organization.

(9) Subsequent Events

The Organization has evaluated subsequent events through February 12, 2021, the date which the financial statements were available to be issued.

ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Notes to Financial Statements

(10) Executive Director Compensation

The schedule of compensation, benefits, and other payments to William Miller, IV, Executive Director follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 92,492
Health insurance	11,326
Car insurance & allowance	12,051
Cell phone allowance	3,668
Conference travel	1,233
Total	<u>\$ 120,770</u>

(11) Liquidity and Availability of Resources

The Organization's financial assets available within one year of the balance sheet date for general expenditures are as follows:

<u>Purpose</u>	<u>Amount</u>
Cash and cash equivalents	\$ 12,825
Accounts receivable	5,405
Due from Department of Education	409,791
Prepaid expenses	242
Total	<u>\$ 428,263</u>

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

(12) Change in Accounting Pronouncement

In June 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-08, Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The FASB issued this ASU to clarify and improve the scope and the accounting guidance for contributions received and contributions made. The amendments in this ASU assist entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, or as exchange (reciprocal) transactions subject to other guidance and determining whether a contribution is conditional. The Organization adopted ASU 2018-08 effective October 1, 2019. The provisions of this standard resulted in no significant changes in the way the Organization recognizes contributions.

ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Notes to Financial Statements

(13) Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update No. 2014-9, Revenue from Contracts with Customers (Topic 606). This guidance is a comprehensive new revenue recognition standard that will supersede substantially all existing revenue recognition guidance. The new standard's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be more entitled in exchange for those goods or services. In doing so, companies will need to use more judgment and make more estimates than under existing guidance. These may include identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. In March of 2020, the FASB agreed to delay the effective date of the standard by one year. Therefore, the new standard will be effective for annual periods beginning after December 15, 2020 and is not expected to have a significant impact on the Organization's financial statements.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842) intended to improve financial reporting regarding leasing transactions. The new standard affects all companies and organizations that lease assets and liabilities for the rights and obligations created by those leases if the lease terms are more than 12 months. The guidance also will require qualitative quantitative disclosures providing additional information about the amounts recorded in the financial statements. The amendments in this update are effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The Organization is evaluating the potential impact of the amendment on the Organization's financial statements.



**INTERNAL CONTROL,  
COMPLIANCE  
AND  
OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

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## 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  
St. Amant's DCH, Inc.  
Denham Springs, 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 St. Amant's DCH, Inc. (a nonprofit organization) (the Organization), which comprise the statement of financial position as of September 30, 2020 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 12, 2021.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization'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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

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

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Abbeville, Louisiana  
February 12, 2021

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## 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  
St. Amant's DCH, Inc.  
Denham Springs, Louisiana

### Report on Compliance for Each Major Federal Program

We have audited St. Amant's DCH, Inc.'s (the Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended September 30, 2020. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

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

In our opinion, the Organization 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 September 30, 2020.

## **Report on Internal Control over Compliance**

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Abbeville, Louisiana  
February 12, 2021

ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2020

Federal Grantor/Pass-Through Grantor/Program Name	CFDA Number	Pass - Through Identifying No.	Expenditures
<u>United States Department of Agriculture-</u>			
Passed through the Louisiana Department of Education			
Child and Adult Care Food Program	10.558	N/A	<u>\$ 6,063,667</u>

ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Notes to Schedule of Expenditures of Federal Awards  
Year Ended September 30, 2020

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of St. Amant's DCH, Inc. (the Organization) under programs of the federal government for the year ended September 30, 2020. 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 the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

(2) 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.

(3) Indirect Cost Rate

The Organization has elected to not use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Schedule of Findings and Questioned Costs  
Year Ended September 30, 2020

Part I. Summary of Auditor's Results:

Financial Statements –

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiencies identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Federal Awards –

Type of auditor's report issued on compliance for major programs:	Unmodified	
Internal control over major programs:		
Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiencies identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) of the Uniform Guidance?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Major Programs –

CFDA Number	Name of Federal Program or Cluster
10.558	Child and Adult Care Food Program
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as a low-risk auditee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No



ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended September 30, 2020

Part II. Findings which are required to be reported in accordance with generally accepted governmental auditing standards:

A. Internal Control Findings –

None reported.

B. Compliance Findings –

None reported.

Part III. Findings and questioned costs for major Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance:

There are no findings and questioned costs related to federal programs that are required to be reported under the above guidance.

ST. AMANT'S DCH, INC.  
Denham Springs, Louisiana

Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan  
Year Ended September 30, 2020

Part I. Current Year Findings and Management's Corrective Action Plan:

A. Internal Control Over Financial Reporting

There are no internal control findings to be reported.

B. Compliance

There are no compliance findings to be reported.

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

There were no internal control findings reported.

B. Compliance

There were no compliance findings reported.