

**RAYS OF SONSHINE**  
**MONROE, LOUISIANA**

*Financial Statements*  
*For the Years Ended December 31, 2021 (Reviewed) and 2020 (Audited)*



**RAYS OF SONSHINE**  
**FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEARS ENDED**  
**DECEMBER 31, 2021 (REVIEWED) AND 2020 (AUDITED)**

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors and Management of  
Rays of Sonshine  
Monroe, Louisiana

I have reviewed the accompanying financial statements of Rays of Sonshine (a non-profit), which comprise the statement of net position as of December 31, 2021, and the related statement of activities, functional expenses and cash flows for the year ended, and the notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

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

Management is responsible for the preparation and fair presentation of this financial statement 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 a financial statement that is free from material misstatement whether due to fraud or error.

### **Accountant's Responsibility**

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statement for it to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

I am required to be independent of Rays of Sonshine, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my review.

### **Accountant's Conclusion**

Based on my review, I am not aware of any material modifications that should be made to the accompanying 2021 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



To the Board of Directors and Management of  
Rays of Sunshine  
Monroe, Louisiana

**Other Matters**

Supplementary Information

The accompanying schedule of compensation, reimbursements, benefits, and other payments to agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. I have reviewed the information and, based on my review, I am not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. I have not audited the supplementary information and, accordingly, do not express an opinion on such information.

**Report on 2020 Financial Statements**

The 2020 financial statements were audited by other auditors, and they expressed an unmodified opinion on them in their report dated March 16, 2022. They have not performed any auditing procedures since that date.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report dated January 12, 2023, on the results of our agreed-upon procedures.

*Maxwell CPA, LLC*

Monroe, Louisiana  
January 12, 2023

**RAYS OF SONSHINE**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
	<u>(Reviewed)</u>	<u>(Audited)</u>
<u>ASSETS</u>		
<u>Current Assets</u>		
Cash	\$ 80,705	\$ 96,329
Accounts Receivable:		
Services	-	5,924
Other	14,425	11,995
Prepaid Expenses	7,963	3,647
Land, Building, and Equipment, Net	2,178,664	2,556,469
Deposits	8,533	8,533
	<u>                    </u>	<u>                    </u>
<u>TOTAL ASSETS</u>	<u>\$ 2,290,290</u>	<u>\$ 2,682,897</u>
 <u>LIABILITIES AND NET ASSETS</u> 		
<u>Current Liabilities</u>		
Accounts Payable	\$ 68,217	\$ 29,745
Accrued Expenses	13,543	12,966
Rental Deposits	10,109	11,327
Received by Residents	1,950	3,131
Notes Payable	1,088,184	1,530,729
Total Current Liabilities	<u>1,182,003</u>	<u>1,587,898</u>
 <u>Net Assets</u>		
Without Donor Restriction	1,083,528	1,070,147
With Donor Restrictions	24,759	24,852
	<u>                    </u>	<u>                    </u>
Total Net Assets	<u>1,108,287</u>	<u>1,094,999</u>
	<u>                    </u>	<u>                    </u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 2,290,290</u>	<u>\$ 2,682,897</u>

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

**RAYS OF SONSHINE**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021 (Reviewed)		Totals
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	
Support and Revenue			
<i>Federal:</i>			
Emergency Food Assistance Program - Noncash - Note 6	173,866	-	173,866
EFSP Grant Revenue	11,541	-	11,541
Emergency Food Assistance Program - Nonfederal - Note 6	125,117	-	125,117
Contributions	114,050	-	114,050
United Way Allocation	-	21,255	21,255
Program Service Fees	43,722	-	43,722
Charitable Gaming	125,525	-	125,525
Rental Revenue	135,310	-	135,310
Forgiveness of Debt	74,231	-	74,231
Other Revenue	134,615	-	134,615
Net Unrestricted Revenues, Gains, and Other Support	937,977	21,255	959,232
Net Assets Released from Restrictions	21,348	(21,348)	-
Total Revenue, Gains, and Other Support	959,325	(93)	959,232
Expenses			
Program Services:			
Manna Pantry	346,417	-	346,417
Women's Residence	74,295	-	74,295
The Kitchen	4,699	-	4,699
Sonshine Community of Hope	71,725	-	71,725
Breard Apartments	60,865	-	60,865
Mothers With Children	19,284	-	19,284
Atkins Quarters	93	-	93
Sonshine House II	24,831	-	24,831
Sonshine Supportive Housing	309,152	-	309,152
Total Program Services	911,361	-	911,361
Supportive Services:			
Charitable Gaming	98,634	-	98,634
Management and General	93,755	-	93,755
Total Expenses	1,103,750	-	1,103,750
Other Income (Expense)			
Extinguishment of Debt - PPP Loan	114,100	-	114,100
Insurance Proceeds	43,706	-	43,706
Total Other Income (Expense)	157,806	-	157,806
<b><u>INCREASE (DECREASE) IN NET ASSETS</u></b>	13,381	(93)	13,288
<b><u>NET ASSETS AT BEGINNING OF YEAR</u></b>	1,070,147	24,852	1,094,999
<b><u>NET ASSETS AT END OF YEAR</u></b>	<b><u>\$ 1,083,528</u></b>	<b><u>\$ 24,759</u></b>	<b><u>\$ 1,108,287</u></b>

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

**RAYS OF SONSHINE**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2020 (Audited)		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Totals
Support and Revenue			
<i>Federal:</i>			
Supportive Housing Program - Note 6	\$ 78,644	\$ -	\$ 78,644
Emergency Food Assistance Program - Noncash - Note 6	300,035	-	300,035
EFSP Grant Revenue	-	8,000	8,000
Federal - Payments for Services - Note 6			
Block Grant	158,553	-	158,553
Emergency Food Assistance Program - Nonfederal - Note 6	91,144	-	91,144
Contributions	135,087	-	135,087
United Way Allocation	634	9,654	10,288
Program Service Fees	125,990	-	125,990
Charitable Gaming	158,286	-	158,286
Rental Revenue	126,184	-	126,184
Forgiveness of Debt	74,231	-	74,231
Other Revenue	61,923	-	61,923
Net Unrestricted Revenues, Gains, and Other Support	1,310,711	17,654	1,328,365
Net Assets Released from Restrictions	-	(30,445)	(30,445)
Total Revenue, Gains, and Other Support	1,310,711	(12,791)	1,297,920
Expenses			
Program Services:			
Manna Pantry	403,979	-	403,979
R.E.A.P	133,083	-	133,083
Women's Residence	185,099	-	185,099
The Kitchen	988	-	988
Sonshine Community of Hope	120,630	-	120,630
Supportive Housing	33,276	-	33,276
The Yellow House	115,190	-	115,190
Breard Apartments (HUD)	185,778	-	185,778
Mothers With Children	196,324	-	196,324
Sonshine House II	46,932	-	46,932
Clinic Apartments	19,138	-	19,138
Community of Hope II	1,863	-	1,863
Sonshine Rental Assistance - HUD 3 (2HS)	27,000	-	27,000
Total Program Services	1,469,280	-	1,469,280
Supportive Services:			
Charitable Gaming	135,865	-	135,865
Management and General	21,439	-	21,439
Total Expenses	1,626,584	-	1,626,584
Other Income (Expense)			
Extinguishment of Debt - PPP Loan	114,100	-	114,100
Insurance Proceeds	4,525	-	4,525
Total Other Income (Expense)	118,625	-	118,625
<b><u>INCREASE (DECREASE) IN NET ASSETS</u></b>	(197,248)	(12,791)	(210,039)
<b><u>NET ASSETS AT BEGINNING OF YEAR</u></b>	1,267,395	37,643	1,305,038
<b><u>NET ASSETS AT END OF YEAR</u></b>	<b><u>\$ 1,070,147</u></b>	<b><u>\$ 24,852</u></b>	<b><u>\$ 1,094,999</u></b>

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

**RAYS OF SONSHINE**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	12/31/2021 (Reviewed)				
	Program Services				
	Manna Pantry	Women's Residence	The Kitchen	Sonshine Community of Hope	Breard Apartments
Alarm System	\$ -	\$ 1,358	\$ -	\$ -	\$ 454
Automobile	393	1,016	-	285	1,401
Bank Service Charges	-	-	-	-	113
Contract Services	-	-	-	-	35
Depreciation and Amortization	7,255	15,667	-	8,978	4,048
Dues and subscriptions	-	-	-	-	-
Fund Raising	-	-	-	-	-
Insurance	2,144	3,552	-	12,310	3,335
Interest Expense	-	-	-	801	-
Licenses and Permits	-	473	-	-	-
Miscellaneous	-	80	-	250	79
Printing	-	-	-	-	-
Postage	-	-	-	7	-
Professional Fees	-	-	-	-	-
Program Expenses	-	242	-	3,146	1,191
Repairs and Maintenance	5,618	5,252	-	25,392	25,416
Rental Expense	-	-	-	-	-
Salaries and Benefits	15,176	32,774	-	18,780	8,467
Supplies - Food	299,685	4,930	4,699	-	3,469
Supplies	1,219	1,002	-	12	1,438
Taxes	1,205	2,603	-	1,674	673
Telephone	-	441	-	-	441
Utilities	13,722	4,905	-	90	10,305
<b><u>TOTAL EXPENSES</u></b>	<b><u>\$ 346,417</u></b>	<b><u>\$ 74,295</u></b>	<b><u>\$ 4,699</u></b>	<b><u>\$ 71,725</u></b>	<b><u>\$ 60,865</u></b>



Mothers With Children	Atkins Quarters	Sonshine House II	Sonshine Supportive Housing	Total Program Services	Supporting Services		Total
					Charitable Gaming	Management and General	
\$ 944	\$ -	\$ 1,100	\$ 317	\$ 4,173	\$ -	\$ 128	\$ 4,301
578	-	-	2,781	6,454	-	9,165	15,619
-	-	-	-	113	32	1,017	1,162
-	-	-	3,090	3,125	-	-	3,125
2,065	-	2,096	55,750	95,859	-	20,586	116,445
-	-	-	100	100	-	-	100
-	-	-	-	-	-	20	20
2,974	-	2,713	10,322	37,350	407	2,386	40,143
-	-	-	11,374	12,175	-	16	12,191
473	-	15	2,196	3,157	-	449	3,606
80	-	-	6,880	7,369	30	3,003	10,402
-	-	-	193	193	-	-	193
-	-	-	1,112	1,119	-	219	1,338
-	-	-	-	-	875	-	875
345	-	15	54,051	58,990	-	216	59,206
3,733	-	4,206	19,745	89,362	-	5,907	95,269
-	-	-	-	-	62,763	-	62,763
4,319	-	4,385	116,622	200,523	22,185	20,882	243,590
-	-	-	-	312,783	-	627	313,410
95	93	98	6,788	10,745	12,342	7,874	30,961
343	-	423	9,263	16,184	-	6,302	22,486
459	-	-	6,272	7,613	-	5,078	12,691
2,876	-	9,780	2,296	43,974	-	9,880	53,854
<u>\$ 19,284</u>	<u>\$ 93</u>	<u>\$ 24,831</u>	<u>\$ 309,152</u>	<u>\$ 911,361</u>	<u>\$ 98,634</u>	<u>\$ 93,755</u>	<u>\$ 1,103,750</u>

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

**RAYS OF SONSHINE**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	12/31/2020 (Audited)						
	Program Services						
	Manna Pantry	R.E.A.P	Women's Residence	The Kitchen	Sonshine Community of Hope	Supportive Housing	The Yellow House
Alarm System	\$ -	\$ -	\$ 2,168	\$ -	\$ -	\$ 475	\$ 228
Automobile	176	8,628	3,514	-	723	1,621	6,518
Bad Debts	-	-	-	-	-	-	-
Bank Service Charges	-	585	-	-	60	-	-
Contract Services	-	2,135	-	-	-	-	-
Depreciation and Amortization	11,039	-	921	-	60,739	-	-
Dues and Subscriptions	-	1,369	29	-	-	-	-
Fund Raising	-	-	-	-	-	-	-
Insurance	3,646	5,586	10,349	-	8,021	3,936	3,303
Interest Expense	-	2,217	7,281	-	1,219	-	7,281
Licenses and Permits	-	1,529	483	-	-	-	236
Meals	-	52	-	-	-	-	-
Miscellaneous	-	604	-	-	-	-	-
Printing	-	119	119	-	-	-	119
Postage	-	565	43	-	-	10	10
Professional Fees	-	10,085	4,172	-	4,200	1,032	3,802
Program Expenses	-	4,230	2,920	-	5,425	454	1,494
Repairs and Maintenance	4,293	8,974	9,636	-	16,827	2,974	9,676
Rental Expense	-	-	-	-	-	-	-
Salaries and Benefits	17,532	51,602	99,291	-	20,870	10,078	64,906
Software Services	-	659	590	-	-	89	474
Supplies - Food	361,068	7,262	11,063	934	-	-	-
Supplies	1,655	22,008	4,030	54	374	1,619	2,430
Taxes	1,405	4,135	7,955	-	1,672	807	5,200
Telephone	-	391	4,681	-	-	1,798	2,144
Utilities	3,165	348	15,854	-	500	8,383	7,369
<b><u>TOTAL EXPENSES</u></b>	<b><u>\$ 403,979</u></b>	<b><u>\$ 133,083</u></b>	<b><u>\$ 185,099</u></b>	<b><u>\$ 988</u></b>	<b><u>\$ 120,630</u></b>	<b><u>\$ 33,276</u></b>	<b><u>\$ 115,190</u></b>

Breard Apartments (HUD)	Mothers With Children	Sunshine House II	Clinic Apartments	Community of Hope II	Sonshine Rent. Assistance HUD3 (2HS)	Total Program Services	Supporting Services		Total
							Charitable Gaming	Management and General	
\$ 316	\$ 3,080	\$ 1,460	\$ -	\$ -	\$ -	\$ 7,727	\$ -	\$ -	\$ 7,727
2,135	3,503	-	-	-	-	26,818	-	-	26,818
-	-	-	-	1,863	-	1,863	-	-	1,863
112	-	165	-	-	-	922	48	740	1,710
-	-	-	-	-	-	2,135	-	-	2,135
22,934	7,797	18,240	-	-	-	121,670	-	6,340	128,010
72	93	-	100	-	-	1,663	-	30	1,693
-	-	-	-	-	-	-	-	2,610	2,610
8,892	8,568	2,653	-	-	3,613	58,567	848	-	59,415
7,281	7,281	-	-	-	-	32,560	-	7,281	39,841
236	483	-	450	-	-	3,417	-	-	3,417
-	-	-	-	-	-	52	-	-	52
-	-	-	-	-	-	604	-	993	1,597
119	119	-	-	-	-	595	-	-	595
10	310	-	-	-	-	948	-	-	948
3,837	3,987	1,000	1,045	-	-	33,160	800	-	33,960
1,797	1,893	-	-	-	1,278	19,491	125	35	19,651
11,095	11,049	6,335	2,406	-	309	83,574	-	2,669	86,243
-	-	-	-	-	-	-	51,136	-	51,136
95,965	100,219	6,091	12,033	-	19,088	497,675	12,742	-	510,417
719	574	-	48	-	-	3,153	-	271	3,424
-	10,710	-	-	-	200	391,237	-	-	391,237
1,635	3,846	99	-	-	79	37,829	69,145	-	106,974
7,688	8,030	487	964	-	1,529	39,872	1,021	-	40,893
2,144	7,739	1,860	-	-	686	21,443	-	470	21,913
18,791	17,043	8,542	2,092	-	218	82,305	-	-	82,305
<u>\$ 185,778</u>	<u>\$ 196,324</u>	<u>\$ 46,932</u>	<u>\$ 19,138</u>	<u>\$ 1,863</u>	<u>\$ 27,000</u>	<u>\$ 1,469,280</u>	<u>\$ 135,865</u>	<u>\$ 21,439</u>	<u>\$ 1,626,584</u>

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

**RAYS OF SONSHINE**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
	<u>Reviewed</u>	<u>Audited</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>		
Change in Net Assets	\$ 13,288	\$ (210,039)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation and Amortization	116,445	128,010
Forgiveness of Debt	(74,231)	(188,631)
Gain on Sale of Asset	(82,177)	-
(Increase) Decrease in Assets and Liabilities:		
Accounts Receivable	3,494	87,998
Prepaid Expenses and Other Assets	(4,316)	4,251
Accounts Payable	38,472	(6,031)
Deposits received on Rentals	(2,399)	(13,451)
Accrued Expenses	577	(9,983)
Net Cash Provided (Used) by Operating Activities	<u>9,153</u>	<u>(207,876)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Proceeds from Sale of Assets	343,537	-
Acquisition of Property and Equipment	-	(29,643)
Net Cash Provided (Used) by Investing Activities	<u>343,537</u>	<u>(29,643)</u>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
Net Decrease in Note Payables	(368,314)	235,299
Net Cash Used by Financing Activities	<u>(368,314)</u>	<u>235,299</u>
<b><u>NET DECREASE IN CASH AND CASH EQUIVALENTS</u></b>	<b>(15,624)</b>	<b>(2,220)</b>
<b><u>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</u></b>	<b><u>96,329</u></b>	<b><u>98,549</u></b>
<b><u>CASH AND CASH EQUIVALENTS AT END OF YEAR</u></b>	<b><u>\$ 80,705</u></b>	<b><u>\$ 96,329</u></b>
Noncash Transactions are as follows:		
Operating activities:		
Donations of food from Food Bank	\$ 298,983	\$ 391,179
Disbursements of food by The Zone	<u>(298,983)</u>	<u>(391,179)</u>
Total Operating activities	<u>\$ -</u>	<u>\$ -</u>

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

**RAYS OF SONSHINE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 (REVIEWED) AND 2020 (AUDITED)**

**Note 1 – DESCRIPTION OF CORPORATION**

Rays of Sonshine (the Corporation) was established during the year ended December 31, 1998, as a nonprofit volunteer health and welfare organization for the purpose of working to assist individuals in crisis situations through various charitable and educational programs. During the year ended December 31, 2007, a subsidiary of Rays of Sonshine, Sonshine Neighborhoods and Properties, Inc. was established to construct new homes for rental to low-income individuals. No activity has occurred for Sonshine Neighborhoods and Properties, Inc. for the fiscal years ended December 31, 2021 and 2020.

**Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Accounting and Financial Statement Presentation**

The financial statements of Rays of Sonshine have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when the related liabilities are incurred.

In accordance with Financial Accounting Standard Board Accounting Standards Codification (FASB ASC) 958, the Corporation is required to report information regarding its financial position and activities according to two classes or net assets (net assets without donor restrictions and net assets with donor restrictions). Revenues are reported as increases in net assets without donor restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions.

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.

Net assets with donor restrictions – Assets subject to usage limitation 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 actions of the Corporation. Certain restrictions may need to be maintained in perpetuity.

Earnings related to restricted net assets will be included in net assets without donor restrictions unless otherwise specifically required to be included in net assets with donor restrictions by the donor or by applicable state law.

**B. Contributions**

In accordance with FASB ASC 958-205, *Not-for-Profit Entities – Revenue Recognition*, contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions depending upon the existence of donor-imposed restrictions. The Corporation has elected to recognize restricted contributions which are released from the restriction in the same year as unrestricted contributions.

**RAYS OF SONSHINE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 (REVIEWED) AND 2020 (AUDITED)**

**Note 2 – Summary of Significant Accounting Policies** (continued)

**C. Donated Services**

Members, agencies, businesses, volunteers, and others contribute substantial services toward fulfillment of the projects initiated by the Corporation. No amounts have been recognized in the Statement of Activities because the criteria for recognition of such volunteer efforts under FASB ASB 958-205 have not been satisfied.

**D. Cash and Cash Equivalents**

The Corporation considers all highly liquid investments with a maturity of three months or less when purchased be cash equivalents. For financial statement purposes, the Corporation considers cash in its checking accounts to be the only cash items.

**E. Accounts Receivable**

Accounts receivables are stated at unpaid balances less an allowance for doubtful accounts. Accounts receivable consist of amounts receivable from various programs. Management considers the collectability of each account receivable individually. At December 31, 2021 and 2020, the Corporation had an allowance for doubtful accounts in the amount of \$0.

**F. Fair Value of Financial Instruments**

The Corporation's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

The Corporation has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Amounts not available for general use because of contractual or donor-imposed restrictions include cash in the amount of \$24,759. Accordingly, all other funds are available to meet the cash needs of the Corporation in the next 12 months. In addition, the Corporation may maintain funds in a reserve for replacement. These funds are used for the benefit of the tenants and/or the Corporation. Such funds are not considered by the Corporation to have donor-imposed restrictions.

	<u>2021</u>	<u>2020</u>
Cash	\$ 80,705	\$ 96,329
Accounts Receivable - Services	-	5,924
Accounts Receivable - United Way	-	-
Accounts Receivable - Other	<u>14,425</u>	<u>11,995</u>
Total	<u>\$ 95,130</u>	<u>\$ 114,248</u>

**RAYS OF SONSHINE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 (REVIEWED) AND 2020 (AUDITED)**

**Note 2 – Summary of Significant Accounting Policies** (continued)

**G. Property and Equipment**

Property and equipment are stated at cost. The capitalization policy is to expense all items with a cost of less than \$1,000. All donated capital assets are recorded at fair market value on the date of the donation. Depreciation is computed on a straight-line and double declining balance basis over the useful lives of the assets using the following estimated lives:

	<u>Years</u>
Buildings and improvements	30
Furniture and equipment	7-30
Vehicles	3

**H. Net Assets**

Net assets without donor restrictions represent the surplus accumulated over the years through the normal operations of the Corporation. Income from restricted sources which is received during the year and for which the restrictions are satisfied within the same year, is represented in the net assets released from restriction.

Net assets with donor restrictions at December 31, 2021 and 2020, were \$24,759 and \$24,852, respectively.

At December 31, 2021 and 2020, the amount due from the United Way of Northeast Louisiana, Inc. was \$0 and \$0, respectively. For contributions restricted for neighborhood clean-up activities, per the Atkins Quarters Grant/Donation, were \$3,768 and \$3,861, for December 31, 2021 and 2020, respectively. Contributions restricted for Community Hope II project for December 31, 2021 and 2020 were \$20,991 and \$20,991, respectively.

**I. Revenue and Revenue Recognition**

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. Contributions received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions and investment return having donor stipulations that are satisfied in the same period received or earned are reported as revenue and net assets with donor restrictions and shown as net assets released from restrictions.

**RAYS OF SONSHINE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 (REVIEWED) AND 2020 (AUDITED)**

**Note 2 – Summary of Significant Accounting Policies** (continued)

**J. Grants**

The Corporation receives commodities and other donated food items from the Food Bank of Northeast Louisiana, Inc. (the Food Bank). The Food Bank receives these items as a pass-through grant from the U.S. Department of Agriculture (USDA) or from other sources. The value of commodities is based on a price list from the USDA. The value for the other food items is based on an average cost per pound provided by America's Second Harvest.

All other grants are based on cost reimbursement.

**K. Functional Allocation of Expenses**

The costs of providing program and other activities have been summarized on a functional basis in the Statements of Activities and the Statements of Functional Expenses. Accordingly, certain costs have been allocated among program services and support services benefitted. Such allocations are determined by management on an equitable basis.

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and benefits	Time and effort

**L. Programs**

The Corporation's principal programs are as follows:

*Manna Pantry* – A food pantry which distributes food to those in need. The food is obtained from the Northeast Louisiana Food Bank which includes food from the USDA and Wal-Mart.

*R.E.A.P. (Overcomers)* – This program provides interactive groups, case management and peer support to anyone in the community attempting to rebuild life and/or overcome destructive personal habits. All groups or assistance is based in the present needs of those served. This program also includes Louisiana Children's Trust funding, which provides educational and support services for parents and teaches children personal safety and life skills, as the needs present themselves, either individually or through groups.

*Supportive Housing* – This program provides  $\frac{3}{4}$  supportive housing to women and children in crisis or at-risk of homelessness that are no- or low-income and meet entrance guidelines. This includes The Breard House, Women's Residence, The Moms with Children House, The Yellow House, and Transitional Housing I.

*The Kitchen* – This program provides food and/or meals for those individuals/families living in the Corporation's supportive and permanent housing, plus individuals and families in time of need. It includes the warehouse which houses the Manna Pantry, as well as some supplies and clothing for those in need.



**RAYS OF SONSHINE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 (REVIEWED) AND 2020 (AUDITED)**

**Note 2 – Summary of Significant Accounting Policies** (continued)

**L. Programs** (continued)

*Sonshine Community of Hope* – This program assisted with the construction of new homes on adjudicated lands that are rented to low income individuals and subsidized by the Louisiana Housing Corporation.

*The Yellow House* – This program is also known as Transition Housing 2, which provides additional supportive housing for at-risk or homeless women with children. Because of COVID-19, this property is closed. This property was sold subsequently to year-end.

*Breard Apartments* – This program provides supportive housing to homeless or at-risk of homelessness women and women with children. Funding is gained through individual sponsorship, minimal weekly charge, or those qualified through Department of Correction.

*Mother's With Children* – This program provides shelter to homeless or at-risk of homelessness for women that have children. Funding is gained through individual sponsorship, minimal weekly charge. This home was temporarily closed because of COVID-19 but has reopened.

*Atkins Quarters* – This program is the Fiscal Agent of community development in one single neighborhood – Atkins Quarter.

*Sonshine House II* – This program provides six permanent apartment housing to low income individuals or families who qualify under HUD guidelines.

*Community of Hope II* – the Corporation was awarded grants in the amount of \$20,000 from Foundation of Louisiana and \$5,000 from Local Initiatives Support Corporation (LISC) to assist with new construction of homes to provide affordable and supportive housing for low income individuals and for households with complicated risk factors. This program has been put on hold due to the COVID-19 pandemic. It will be revisited as Louisiana Housing Corporation determines.

**M. Income Taxes**

The Corporation is exempt from income tax under Internal Revenue Code Section 501 (c)(3). This code section enables the Corporation to accept donations which qualify as charitable contributions to the donor. The only exception is the income tax paid on gambling proceeds. The Corporation had adopted certain provisions of FASB ASC 740 *Income Taxes*. The Corporation believes that it has appropriated support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to the financial statements. The Corporation's Federal Return of Organization Exempt From Income Tax (Form 990) and Exempt Organization Business Income Tax Return (Form 990-T) for the years ended December 31, 2021, 2020, 2019, and 2018, are subject to examination by the IRS, generally for three years after they are filed.

**RAYS OF SONSHINE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 (REVIEWED) AND 2020 (AUDITED)**

**Note 2 – Summary of Significant Accounting Policies** (continued)

**N. Use of 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 of assets and liabilities, and the disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Estimates include the allocation of functional expenses and depreciation. Accordingly, actual results could differ from those estimates.

**O. Subsequent Events**

Management had evaluated subsequent events through January 12, 2023, which is the date the financial statements were available to be issued.

**NOTE 3 – Property and Equipment**

Property and equipment consisted of the following:

	December 31,	
	2021	2020
Land	\$ 148,328	\$ 183,328
Buildings	2,833,881	3,193,796
Building improvements	365,649	365,649
Vehicle	12,750	41,668
Furniture, fixtures, and equipment	97,838	97,838
Total	\$ 3,458,446	\$3,882,279
Accumulated Depreciation	(1,279,782)	(1,325,810)
Total capital assets, net	\$ 2,178,664	\$2,556,469

**Note 4 - Notes Payable**

Notes payable consisted of the following:

**RAYS OF SONSHINE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 (REVIEWED) AND 2020 (AUDITED)**

**Note 4 - Notes Payable** (continued)

	December 31,	
	2021	2020
<b>Mortgage due to Origin Bank</b>		
4.59% interest rate, secured by real estate. Payments are \$372 monthly, due March 31, 2022, with balloon payment due at that time.	\$ 20,654	\$ 24,120
<b>CDBG Loan</b>		
No-interest loan for the purpose of undertaking and satisfactorily completing NSP activities.	594,426	668,657
<b>Ally Loan</b>		
3.44% interest rate, secured by vehicle. Payments are annually, with final payment due October 12, 2021.	-	4,597
<b>Mortgage due to Cross Keys Bank</b>		
6.24% interest rate, secured by real estate. Payments are \$6,469 monthly due December 13, 2022, with balloon payment due at that time.	328,232	662,624
<b>Cross Keys Line of Credit</b>		
5.00% interest rate, secured by real estate. Payment due March 13, 2021, with balloon payment due at that time.	-	20,730
<b>Small Business Administration</b>		
2.75% interest rate, secured by personal property. Payments are \$641 monthly, with final payment due May 2051.	144,872	150,000
Total	\$1,088,184	\$1,530,728
Less current portion of notes payable	(117,753)	(68,928)
Total long-term notes payable	\$ 970,431	\$1,461,800

**RAYS OF SONSHINE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 (REVIEWED) AND 2020 (AUDITED)**

**Note 4 - NOTES PAYABLE** (continued)

The aggregate principal payments of long-term indebtedness maturing during the next five years and thereafter are as follows:

<u>Year</u>	<u>Bank Mortgages</u>	<u>CDBG Loan</u>	<u>Total</u>
2022	\$ 43,522	\$ 74,231	\$ 117,753
2023	24,244	74,231	98,475
2024	25,705	74,231	99,936
2025	27,261	74,231	101,492
2026	248,005	74,231	322,236
Thereafter	<u>125,021</u>	<u>223,271</u>	<u>348,292</u>
Total	<u>\$ 493,758</u>	<u>\$ 594,426</u>	<u>\$1,088,184</u>

CDBG loan, in the original amount of \$1,530,000, is a forgivable loan that starts as each rental unit is completed and operates at a full operating year. The loan forgiveness is at the rate of 1/20<sup>th</sup> of the initial principal amount in the case of redeveloped (new construction) rental units with a maturity date of December 21, 2030. In addition, the Corporation agrees to annually pay to the Louisiana Housing Corporation (LHC), an amount calculated on the total of the annual net revenue from all rental properties under this loan until the loan principal balance has been paid in full. This payment from net revenue shall not be applied towards the reduction of the loan principal balance. At December 31, 2021 and 2020, the Corporation owed LHC \$0 and \$2,371, respectively, which was included in Accounts Payable on the Statements of Financial Position. During the year ended December 31, 2021 and 2020, the CBDG loan was reduced by \$74,231 and \$74,231, respectively. As of December 31, 2021 and 2020, the balance on the loan was \$594,426 and \$668,657, respectively.

**Origin Bank Loan**

On March 30, 2017, the Corporation renewed its existing loan in the amount of \$47,300. The interest rate is a fixed rate of 4.59% per annum. Beginning on April 30, 2017, monthly payments of principal and interest in the amount of \$372 was due and one irregular last payment estimated in the amount of \$22,360 was due. The loan matures on March 31, 2022. The loan is collateralized by the real estate. This loan was refinanced subsequent to year end that extended the loan an additional five years at a fixed rate of 4.89%.

**Ally Loan**

During the year ended December 31, 2016, the Corporation entered into a loan with Ally Loan Company in order to purchase a van. The loan is secured by the van. The interest is a fixed rate or 3.44% per annum. Beginning on November 11, 2016, monthly payments of principal and interest in the amount of \$355 are due. The loan matured on October 12, 2021.

**RAYS OF SONSHINE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 (REVIEWED) AND 2020 (AUDITED)**

**Note 4 – Notes Payable** (continued)

**Cross Keys Bank Loan**

On December 13, 2017, the Corporation entered into a loan with Cross Keys Bank in the amount of \$750,315. The interest is a fixed rate of 6.25% per annum. Monthly payments of principal and interest in the amount of \$6,469 are due and one irregular payment estimated in the amount of \$580,365 will be due at maturity. The loan matures on December 13, 2022. The loan is collateralized by a multiple indebtedness mortgage granting a security interest in properties. This loan was refinanced during 2021. Payments were set up at \$3,311 per month for five years with final balloon payment at an interest rate of 6.45%. Subsequent to year end, the note was refinanced again with payments set up for \$353 until maturity and then paid off completely in November 2022.

**Louisiana Housing Corporation Permanent Loan Contingent Commitment**

The Corporation was informed by the Louisiana Housing Corporation (LHC) of their contingent commitment to make available a loan for permanent financing in an amount of \$1,050,000. The permanent loan contingent commitment is to take out the construction financing necessary for the proposed new construction of seven units under the Louisiana Neighborhood Landlord Rental Program (LNLRP). The funding source of the loan is Community Development Block Grant (CDBG). The permanent loan will be collateralized by a 2<sup>nd</sup> mortgage position on all seven properties. The LHC's commitment is contingent upon compliance with the provisions of the National Environmental Policy Act of 1969 (NEPA), as well as the HUD environmental review regulations at 24 CFR Part 58. The project is also subject to CDBG Federal Grant requirements to be references in the LNLRP Regulatory Agreement. As of December 31, 2021, no activity had occurred under this commitment.

**Note 5 – Lines of Credit**

**Cross Keys Bank**

On March 13, 2020, the Corporation entered into a line of credit with Cross Keys Bank. The maximum amount of credit that can be drawn is \$35,600. The line of credit accrues at a variable rate of interest equal to the sum of the Prime Rate in effect from time to time plus 1.0 percentage points, except otherwise provided. The maturity date on the note was March 13, 2021. The note is collateralized by a security interest in the property. During the fiscal year ended December 31, 2021, the Corporation had drawn on the line of credit and has a balance owed of \$0 at fiscal year-end. This loan was rolled into the refinanced loan and the line of credit was closed.

**Note 6 – Federal Grants/Contracts**

The Corporation has a contract to provide residential treatment services as a pass-through from the Louisiana Department of Health and Hospitals under the United States Department of Health and Human Resources Block Grant for Prevention and Treatment of Substance Abuse. For its services, the Corporation received \$0 and \$158,553 for the years ended December 31, 2021 and 2020, respectively.

**RAYS OF SONSHINE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 (REVIEWED) AND 2020 (AUDITED)**

**Note 6 – Federal Grants/Contracts** (continued)

The Corporation was awarded grants by HUD to promote the development of supportive housing and supportive services, including innovative approaches to assist homeless persons in the transition from homeless, and to promote the provision of supportive housing to homeless persons to they can live as independently as possible. For the years ended December 31, 2021 and 2020, the Corporation received \$0 and \$78,644, respectively.

The Corporation distributes food each week to needy individuals that qualify under the Emergency Food Assistance Program of the United States Department of Agriculture. The food that is received from the Northeast Louisiana Food Bank, Inc. is comprised of commodities donated by the Louisiana Department of Agriculture and Forestry's Food Bank program and other local donors. The value of these commodities received was \$298,983 and \$391,179, for the years ended December 31, 2021 and 2020, respectively. For the years ended December 31, 2021 and 2020, the federal portion of commodities was valued at \$173,866 and \$300,035, respectively.

**Note 7 – Disclosure and Concentrations**

The Corporation received a large portion of its revenue based on contracts with various federal, state, and local agencies. Therefore, a majority of its revenue and accounts receivable are derived from these sources and are contingent upon continued funding of such programs.

**Note 8 – Related-Party Transactions**

Certain members of the Executive Director's family earned a total of \$10,823 and \$26,174 during the years ended December 31, 2021 and 2020, of which \$0 and \$0 was paid by federal grants, respectively. Services performed include lawn care, repairs and maintenance, physical education, and charitable gaming.

Additionally, Daniel Printing, an entity owned by Executive Director's husband, was paid \$193 and \$685 during the years ended December 31, 2021 and 2020, and was due \$0 and \$0 at December 31, 2021 and 2020, respectively, for printing services provided to the Corporation.

**Note 9 - Forgivable Loan Received Under the Paycheck Protection Plan**

In April 2020, Rays of Sonshine received loan proceeds of \$114,000 under the Paycheck Protection Program (PPP) under Division A, Title I of the Coronavirus Aid Relief and Economic Security (CARES) Act, which was enacted March 27, 2020, by Congress. The loan and accrued interest is forgivable as long as Rays of Sonshine used the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll level. The unforgivable portion of the PPP loan is payable over two years commencing in 2021 at an interest rate of 1% with a deferral of payments for the first six months. Rays of Sonshine used the entire loan amount for qualifying expenses. The loan was fully forgiven in December 2020 by the Small Business Administration.

In January 2021, Rays of Sonshine received second loan proceeds of \$114,100 under the Paycheck Protection Program (PPP). The loan and accrued interest is forgivable as long as Rays of Sonshine used the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll level. Rays of Sonshine used the entire loan amount for qualifying expenses and the loan was fully forgiven in November 2021 by the Small Business Administration.

**OTHER SUPPLEMENTAL INFORMATION**

RAYS OF SONSHINE  
SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS  
AND OTHER PAYMENTS TO AGENCY HEAD  
DECEMBER 31, 2021

Agency Head -  
Lynn Daniels

Salary and Expense Account	\$ 31,095
Benefits - Social Security and Medicare	2,380



**OTHER INFORMATION**



**INDEPENDENT ACCOUNTANT'S REPORT**  
**ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors  
Rays of Sonshine

I have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Rays of Sonshine, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the organization's compliance with certain laws and regulations during the year ended December 31, 2021, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. Rays of Sonshine's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, I make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Agency's management.

*Rays of Sonshine provided me with the following list of expenditures made for state grant awards received during the fiscal year ended December 31, 2021.*

*Louisiana Childrens Trust Fund*

*Grant Years were July 1, 2020 – June 30, 2021 and July 1, 2021 – June 30, 2022*

*AL No. was N/A*

*Total Expenditures for the fiscal year was \$24,085.*

2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements are selected.

*I selected six disbursements for testing.*

3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.

*Each of the selected disbursements agreed to the amount and payee in the supporting documentation.*



4. Report whether the selected disbursements were coded to the correct fund and general ledger account.

*All disbursements appear to be coded to the correct general ledger account.*

5. Report whether the selected disbursements were approved in accordance with the Agency's policies and procedures.

*Rays of Sonshine's policy is for the executive director to approve all disbursements. Each of the selected disbursement's included the signature of the executive director.*

6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

*Each of the selected disbursement's appeared to be in compliance with the grant agreement.*

7. Obtain the close-out reports, if required, for any program selected in procedure 2 that was closed out during the fiscal year. Compare the close-out reports, if applicable, with the Agency's financial records; and report whether the amounts in the close-out reports agree with the Agency's financial records.

*Not applicable.*

#### Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions.

*Management represented that Rays of Sonshine is not required to post agendas.*

#### Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the agency provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state and local grants included the purpose and duration of the grants; and whether budgets for state grants also included specific goals, objectives, and measures of performance.

*Rays of Sonshine provided the comprehensive budgets which included the purpose and duration of the grant program.*

State Audit Law

10. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

*Rays of Sonshine did not file its report by the due date of June 30, 2022.*

11. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

*Rays of Sonshine has not entered into any contracts subject to public bid law since June 30, 2022.*

Prior-Year Comments

12. Obtain and report management's representation as to whether any prior year suggestions, exceptions, recommendations, and/or comments have been resolved.

*N/A*

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. I was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on Rays of Sonshine's compliance with the foregoing matters. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the Rays of Sonshine's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Maxwell CPA, LLC*

Monroe, Louisiana  
January 12, 2023

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Quasi-public Agencies)**

1/9/23 (Date Transmitted)

MAXWELL CPA, LLC (CPA Firm Name)

8649 Hwy 165 N, STE 2 (CPA Firm Address)

MONROE, LA 71203 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 12/31/2021 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

**Federal, State, and Local Awards**

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes  No  N/A

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and local grantor officials.

Yes  No  N/A

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes  No  N/A

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes  No  N/A

**Open Meetings**

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website to determine whether a non-profit agency is subject to the open meetings law.**

Yes  No  N/A

**Budget**

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes  No  N/A

**Reporting**

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes  No  N/A

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes  No [ ] N/A [ ]

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes  No [ ] N/A [ ]

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes  No [ ] N/A

### Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes  No [ ] N/A [ ]

### General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes  No [ ] N/A [ ]

We acknowledge that we are responsible for determining that that the procedures performed are appropriate for the purposes of this engagement.

Yes  No [ ] N/A [ ]

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes  No [ ] N/A [ ]

We have provided you with all relevant information and access under the terms of our agreement.

Yes  No [ ] N/A [ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes  No [ ] N/A [ ]

We are not aware of any material misstatements in the information we have provided to you.

Yes  No [ ] N/A [ ]

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes  No [ ] N/A [ ]

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal

controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes [] No [  ] N/A [  ]

The previous responses have been made to the best of our belief and knowledge.

<u>Jann Daniel</u>	<u>Executive Director</u>	
	Secretary	Date
<u>Jann Daniel</u>	<u>Treasurer</u>	<u>1-9-23</u>
		Date
	<u>President</u>	Date

**RAYS OF SONSHINE**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

**2021-01      Late Filing of Report**

Criteria:

To be in good standing with the State of Louisiana, the financial statements must be submitted to the Louisiana Legislative Auditor by June 30, 2022.

Condition:

The financial statements were not submitted to the Louisiana Legislative Auditor by the statutory due date of June 30, 2022.

Cause:

The prior year audited financials were late being issued and Rays of Sonshine did not engage with a firm until after the original due date for the current year.

Effect:

Rays of Sonshine is on the noncompliance list with the State of Louisiana.

Recommendation:

I recommend Rays of Sonshine close their books and engage a firm to perform the review several months before the due date of the 2022 report.

Management's Response:

Rays of Sonshine will work to finalize their 2022 records and engage a firm as soon as possible to review the financial statements.



**RAYS OF SONSHINE**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021 AND 2020**

**2020-01      Late Filing of Audit Report**

Condition Found:

The audited financial statements were not submitted to the Louisiana Legislative Auditor by the statutory due date of June 30, 2021.

Effect:

Rays of Sonshine is on the noncompliance list with the State of Louisiana.

Recommendation to Prevent Future Occurrences:

We recommend Rays of Sonshine and the auditor ensure the report is uploaded before the statutory due date in future years.

Current Status:

The finding was repeated as finding 2021-01.