

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

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
WITH SUPPLEMENTAL INFORMATION
As of and for the Year Ended June 30, 2020**

BY

**ROSIE D. HARPER
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As of and for the Year Ended June 30, 2020**

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

**Financial Statements
and Independent Auditor's Report
with Supplemental Information
As of and for the Year Ended June 30, 2020**

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Independent Auditor's Report

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

Report on the Financial Statements

I have audited the accompanying financial statements of Opportunities Industrialization Center of Ouachita, Incorporated (a nonprofit organization), which comprise the statement of financial position as of June 30, 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

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

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

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

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

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Opportunities Industrialization Center of Ouachita, Incorporated as of June 30, 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

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information in Schedules 1 through 10 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated March 12, 2021 on my consideration of Opportunities Industrialization Center of Ouachita, Incorporated's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Opportunities Industrialization Center of Ouachita, Incorporated's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Opportunities Industrialization Center of Ouachita, Incorporated's internal control over financial reporting and compliance.



Rosie D. Harper
Certified Public Accountant

Monroe, Louisiana
March 12, 2021

FINANCIAL STATEMENTS

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Statement of Financial Position
For the Year Ended
June 30, 2020

Assets

Cash and Cash Equivalents	\$	81,856
Accounts Receivable		170
Grant Receivable		41,048
Security Deposit		580
Property, Plant & Equipment (Net, Note D)		75,222
Total Assets		198,876

Liabilities and Net Assets

Liabilities:

Deferred Revenue		44,632
Paycheck Protection Fund		45,045
Accrued Liabilities		13,667
Total Liabilities		103,344

Net Assets:

Without Donor Restrictions:

Net Investment in Fixed Assets		75,222
Operating		20,310
Total Net Assets Without Donor Restrictions		95,532

With Donor Restrictions

		-
Total Net Assets		95,532
Total Liabilities and Net Assets	\$	198,876

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

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Statement of Activities
For the Year Ended
June 30, 2020

CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS

Revenue and Gains

Student Fees	\$ 3,562
Other Revenues	4,887
In-Kind Contributions	<u>131,072</u>
TOTAL REVENUES AND GAINS WITHOUT DONOR RESTRICTIONS	<u>139,521</u>

Net Assets Released from Restrictions

Restrictions Satisfied by Payments	<u>306,446</u>
TOTAL REVENUES, GAINS AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS	<u>445,967</u>

Expenses

Program Expenses	211,254
General and Administrative Expenses	<u>238,492</u>
Total Expenses	<u>449,746</u>
DECREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>(3,779)</u>

CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS

Grants

Local	27,711
Federal	26,000
State	250,000
Other Grants	<u>2,392</u>

TOTAL REVENUE AND GAINS WITH DONOR RESTRICTIONS	<u>306,103</u>
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Net Assets Released from Restrictions

Restrictions Satisfied by Payments	<u>(306,446)</u>
DECREASE IN NET ASSETS WITH DONOR RESTRICTIONS	<u>(343)</u>

DECREASE IN NET ASSETS	(4,122)
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NET ASSETS AT THE BEGINNING OF THE YEAR	<u>99,654</u>
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NET ASSETS AT THE END OF THE YEAR	<u><u>\$ 95,532</u></u>
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See Accompanying Independent Auditor's Report and Notes to Financial Statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Statement of Cash Flows
For the Year Ended
June 30, 2020

Operating Activities	<u>All Funds</u>
Change in Net Assets	\$ (4,122)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Provision for Depreciation	4,122
Increase in Grants Receivable	(36,873)
Increase in Accounts Payable/Accrued Liabilities	39,322
Increase in Deferred Revenue	<u>22,008</u>
Total Adjustments	<u>28,579</u>
Net Cash Provided by Operating Activities	<u>24,457</u>
Net Increase in Cash and Cash Equivalents	<u>24,457</u>
Cash and Cash Equivalents as of the Beginning of Year	<u>57,399</u>
Cash and Cash Equivalents as of the End of Year	<u><u>\$ 81,856</u></u>
Supplemental Information:	
Interest Paid	<u><u>\$ -</u></u>

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

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Statement of Functional Expenses
For the Year Ended
June 30, 2020

	<u>Support Activities</u>		<u>Total Expenses</u>
	<u>Program Services</u>	<u>General and Administrative</u>	
Personnel Costs			
Salaries and Wages	\$ 100,555	\$ 95,467	\$ 196,022
Payroll Taxes and Other Fringe Benefits	16,190	16,261	32,451
Total Personnel Costs	<u>116,745</u>	<u>111,728</u>	<u>228,473</u>
Other Expenses			
Advertising	-	200	200
Bank Service Charges	-	137	137
Custodial	-	313	313
Depreciation Expense	1,855	2,267	4,122
Dues and Subscriptions	-	1,000	1,000
Equipment Purchase	1,184	11,747	12,931
Equipment Rental	410	4,617	5,027
In-kind Lease Expense	58,982	72,090	131,072
Insurance	2,312	2,826	5,138
Office Supplies	198	242	440
Other Expenses	1,310	4,533	5,843
Postage	189	231	420
Professional Fees	-	5,040	5,040
Repairs and Maintenance	5,901	7,215	13,116
Telephone/Internet	4,636	5,667	10,303
Training	10,656	-	10,656
Travel	-	236	236
Utilities	6,876	8,403	15,279
Total Other Expenses	<u>94,509</u>	<u>126,764</u>	<u>221,273</u>
Total Functional Expenses	<u>\$ 211,254</u>	<u>\$ 238,492</u>	<u>\$ 449,746</u>

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

Opportunities Industrialization Center of Ouachita, Incorporated
Monroe, Louisiana

Notes to the Financial Statements
As of and For the Year Ended June 30, 2020

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

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

Method of Accounting

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

Basis of Presentation

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

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

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

Public Support and Revenue

In order to comply with restrictions that donors place on grants and other gifts as well as designations made by its governing board, the principles of reporting net assets are used. Revenue and public support consist mainly of membership dues, fundraising, and contributions. Contributions of cash and

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

Public Support and Revenue (Continued)

other assets are reported as net assets with donor restrictions if they are received with donor restrictions or restrictions designated by the governing board. Contributions are considered to be without restrictions unless restricted by the donor and are reported as net assets without donor restrictions.

Depreciation

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

Building and improvements	30 years
Furniture and equipment	7 years

Income Taxes

Opportunities Industrialization Center of Ouachita, Incorporated is exempt from federal income taxes under Section 501 (c) (3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Organization, and has concluded that as of March 12, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by Internal Revenue Service for the years ended June 30, 2018, 2019, and 2020; however, there are currently no audits for any tax period in progress.

Advertising

The Organization expenses advertising costs as they are incurred. For the year ended June 30, 2020, advertising expense was immaterial.

Estimates

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

Cash and Cash Equivalents

The Organization considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents. Under state law, the agency may deposit funds in demand accounts, interest bearing accounts, money market accounts, or time deposits

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

Cash and Cash Equivalents (Continued)

with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. The Organization had no cash equivalents during the audit period. On June 30, 2020, the Organization had cash totaling \$81,856 as follows:

Unrestricted	\$ 81,856
Total Cash	<u>\$ 81,856</u>

Fair Value of Financial Instruments

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

New Accounting Pronouncements

As of July 1, 2019, the Organization adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606), as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Results for reporting the year ending June 30, 2020 is presented under FASB ASC Topic 606. The ASU has been applied retrospectively, with no effect on net assets or previously issued financial statements.

During the year, the Organization also adopted the provisions of FASB ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958). This accounting standard is meant to help not-for-profit entities evaluate whether transactions should be accounted for as contributions or as exchange transactions and, if the transaction is identified as a contribution, whether it is conditional or unconditional. ASU 2018-08 clarifies how an organization determines whether a resource provider is receiving commensurate value in return for a grant. If the resource provider does receive commensurate value from the grant recipient, the transaction is an exchange transaction and would follow the guidance under ASU 2014-09 (FASB ASC Topic 606). If no commensurate value is received by the grant maker, the transfer is a contribution. ASU 2018-08 stresses that the value received by the general public as a result of the grant is not considered to be commensurate value received by the provider of the grant. Results for reporting the year ending June 30, 2020 are presented under FASB ASU 2018-08. There was no material impact to the financial statements as a result of adoption. Accordingly, no adjustment to opening net assets was recorded.

In 2020, the Organization adopted the provisions of FASB ASU 2016-18, Statement of Cash Flows (Topic 230). This ASU requires that a statement of cash flows explain the change during the period in the total cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the consolidated statement of cash flows. The amendments in the

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

New Accounting Pronouncements (Continued)

ASU do not provide a definition of restricted cash or restricted cash equivalents. The Organization has applied the provisions of ASU 2016-18 with no effect on net assets or previously issued financial statements.

Deferred Revenue

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

Total Columns

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

NOTE B. PENSION PLAN

The Organization does not have a retirement program for its employees and the employees are not members of the State of Louisiana Retirement System. All employees of the Organization are members of the Social Security System. In addition to the employees' contribution, the agency contributes 7.65 percent to the Social Security System. Contributions to the Social Security System for the year ended June 30, 2020 was \$14,952. The Organization does not guarantee the benefits granted by the Social Security System.

NOTE C. IN-KIND OPERATING LEASE

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

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

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

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

NOTE D. GRANT RECEIVABLES

At June 30, 2020, the Organization had grant receivables as follows:

Louisiana Community College (VOC)	\$	20,103
United Way (UW)		20,945
Total	\$	<u>41,048</u>

NOTE E. FUNCTIONAL ALLOCATION OF EXPENSES

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

NOTE F. COMPENSATED ABSENCES

Compensated absences are absences for which employees will be paid, such as vacation, and/or sick leave. The Organization has a formal policy for accumulation and vesting of vacation, annual leave, and sick leave which is based on the length of service. The days that are granted are included in annual salaries. Vacation days not taken during the current year are carried forward, however, should an employee leave or be terminated from the Organization they will be paid for up to ten (10) days only of accumulated annual leave days. For the year ended June 30, 2020, the total amount for accumulated days for compensated absences was \$5,340. Cost for compensated absences is recognized in the pay period taken by employees.

NOTE G. DEFERRED REVENUE

At June 30, 2020, the Organization had deferred revenue totaling \$44,632 consisting of the following:

General Fund	\$	20,151
United Way (UW)		16,177
Monroe Housing Authority (MHA)		<u>8,304</u>
Total	\$	<u>44,632</u>

NOTE H. PAYROLL PROTECTION PROGRAM LOAN (PPP)

The Small Business Administration (SBA) provided eligible small businesses and nonprofit organizations with loans to help keep their workforce employed during the Coronavirus (Covid-19) crisis. Borrowers may be eligible for PPP loan forgiveness. For the year ended June 30, 2020, the Organization received \$45,045 in PPP funds. There were no funds expended at year end. The Organization will apply for forgiveness of the PPP funds during the subsequent year.

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

NOTE I. PROPERTY, PLANT AND EQUIPMENT

For the period ended June 30, 2020, the Organization had net property, plant and equipment totaling \$75,222. The following schedule reflects the balances in property, plant, and equipment at June 30, 2020:

	7/1/2019	Additions	Deletions	6/30/2020
Depreciable Assets				
Building	\$ 65,000	\$ -	\$ -	\$ 65,000
Furniture & Equipment	141,369	-	-	141,369
Leasehold Improvement in Progress	55,266	-	-	55,266
Total Depreciable Assets	261,635	-	-	261,635
Less Accumulated Depreciation				
Depreciation	(187,291)	(4,122)	-	(191,413)
Total Accumuated Depreciation	(187,291)	(4,122)	-	(191,413)
Net Depreciable Assets	74,344	(4,122)	-	70,222
Other Property & Equipment				
Land	5,000	-	-	5,000
Net Property, Plant, & Equipment	\$ 79,344	\$ (4,122)	\$ -	\$ 75,222

NOTE J. ACCRUED LIABILITIES

At June 30, 2020, the Organization had accrued liabilities totaling \$13,667 consisting of the following:

Accrued Liabilities	\$ 12,944
Payroll Liabilities	723
Total	<u>\$ 13,667</u>

The Organization maintains a line of credit with Capital One Bank for the purpose of meeting short-term cash flow needs. The loan is short-term with an average interest rate of 3.75 %. As of June 30, 2020, the outstanding balance owed on the line of credit was \$0.00 and available balance of \$35,500.

NOTE K. BUDGET PRACTICES

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

NOTE L. COMMITMENTS

On March 20, 2008, the Organization entered into a cooperative endeavor with the State of Louisiana Office of Facility Planning and Control of the Division of Administration for the construction of a new technical center, which will be located on the campus of the current Richwood site. The new technical center will be utilized to expand educational and vocational training opportunities benefiting individuals with low to no income levels. The total project is estimated to cost \$4,285,000 over a five-year period. As of June 30, 2020, \$55,266 has been expended as follows:

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

NOTE L. COMMITMENTS (Continued)

<u>Year</u>	<u>Amount Expended</u>	
2008	\$	13,815
2009		41,451
Total	\$	<u>55,266</u>

NOTE M. LIQUIDITY MANAGEMENT

As of June 30, 2020, the following financial assets could be made readily available within one year of the statement of financial position date to meet general expenditures:

Cash	\$	81,856
Accounts Receivable		170
Grants Receivable		41,048
Total	\$	<u>123,074</u>

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

NOTE N. CONCENTRATION OF RISK

For the year ended June 30, 2020, the Organization was subject to significant concentration risks due to the fact that fifty-six percent (56%) of its funding consisted of one contract with Louisiana Technical College.

NOTE O. INTERFUND RECEIVABLES AND PAYABLES

The statement of Financial Position focuses on the Organization as a whole. Therefore, interfund receivables (“Due From”) and interfund liabilities (“Due To”) are eliminated from the financial statements because they are not assets or liabilities of the Organization as a whole. However, the Organization maintained separate funds to account for activities within those funds; interfund liabilities and receivables are recognized at the fund level. The Organization maintained the following funds for the period ending June 30, 2020:

General Fund

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

MHA Fund

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

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

NOTE O. INTERFUND RECEIVABLES AND PAYABLES (Continued)

United Way Fund

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

Vocational Fund

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

The Organization had the following balances in its interfund accounts for the period ended June 30, 2020:

	Due From	Due To
General Fund		
United Way Fund	\$ 18,089	\$ 16,177
MHA Fund	11,078	8,304
VOC Fund	19,365	-
Total General Fund	<u>48,532</u>	<u>24,481</u>
United Way Fund		
General Fund	16,177	18,089
Total United Way Fund	<u>16,177</u>	<u>18,089</u>
MHA		
General Fund	8,304	11,078
Total MHA Fund	<u>8,304</u>	<u>11,078</u>
VOC Fund		
General Fund	-	19,365
Total VOC Fund	<u>-</u>	<u>19,365</u>
Total Interfund Transactions	<u>\$ 73,013</u>	<u>\$ 73,013</u>

NOTE P. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through March 12, 2021, the date which the financial statements were available to be issued and determined that there are no events which require disclosure.



ROSIE D. HARPER

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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
Opportunities Industrialization Center of Ouachita, Incorporated

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Opportunities Industrialization Center of Ouachita, Incorporated (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated March 12, 2021.

Internal Control Over Financial Reporting

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

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Rosie D. Harper
Certified Public Accountant

Monroe, Louisiana
March 12, 2021

SUPPLEMENTAL INFORMATION

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
 Schedule of Assets, Liabilities, and Net Assets
 For the Year Ended
 June 30, 2020

Assets	Without Donor Restrictions		With Donor Restrictions				Total All Funds
	General	CDBG	MHA	United Way	VOC	Total	
Cash and Cash Equivalents	\$ 70,778	\$ -	\$ 11,078	\$ -	\$ -	\$ 11,078	\$ 81,856
Accounts Receivables	170	-	-	-	-	-	170
Grants Receivables	-	-	-	20,945	20,103	41,048	41,048
Security Deposit	580	-	-	-	-	-	580
Due from Other Funds	48,532	-	8,304	16,177	-	24,481	73,013
Property, Plant & Equipment (Net)	75,222	-	-	-	-	-	75,222
Total Assets	195,282	-	19,382	37,122	20,103	76,607	271,889
Liabilities and Net Assets							
Liabilities:							
Deferred Revenue	20,151	-	8,304	16,177	-	24,481	44,632
Accrued Liabilities	10,073	-	-	2,856	738	3,594	13,667
Payroll Protection Fund	45,045	-	-	-	-	-	45,045
Due to Other Funds	24,481	-	11,078	18,089	19,365	48,532	73,013
Total Liabilities	99,750	-	19,382	37,122	20,103	76,607	176,357
Net Assets:							
Without Donor Restrictions:							
Net Investment in Fixed Assets	75,222	-	-	-	-	-	75,222
Operating	20,310	-	-	-	-	-	20,310
Total Without Donor Restrictions	95,532	-	-	-	-	-	95,532
With Donor Restrictions	-	-	-	-	-	-	-
Total Net Assets	95,532	-	-	-	-	-	95,532
Total Liabilities and Net Assets	\$ 195,282	\$ -	\$ 19,382	\$ 37,122	\$ 20,103	\$ 76,607	\$ 271,889

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

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Schedule of Support, Revenue, Expenses, and Changes in Net Assets
For the Year Ended
June 30, 2020

Schedule 2

	Without Donor Restrictions	With Donor Restrictions					Total All Funds
	General	CDBG	MHA	United Way	Workforce	Total	
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS							
Revenue and Gains							
Student Fees	\$ 3,562	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,562
Other Revenues	4,544	-	94	249	-	343	4,887
In-kind Contributions	131,072	-	-	-	-	-	131,072
TOTAL REVENUES AND GAINS WITHOUT DONOR RESTRICTIONS	139,178	-	94	249	-	343	139,521
Net Assets Released from Restrictions							
Restrictions Satisfied by Payments	306,446	-	-	-	-	-	306,446
TOTAL REVENUES, GAINS AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS	445,624	-	94	249	-	343	445,967
Expenses							
Program Expense	211,254	-	-	-	-	-	211,254
General and Administrative Expenses	238,492	-	-	-	-	-	238,492
Total Expenses	449,746	-	-	-	-	-	449,746
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(4,122)	-	94	249	-	343	(3,779)
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS							
Revenues and Gains							
Local	-	-	-	27,711	-	27,711	27,711
Federal	-	-	26,000	-	-	26,000	26,000
State	-	-	-	-	250,000	250,000	250,000
Other Grants	-	-	2,392	-	-	2,392	2,392
TOTAL REVENUE AND GAINS WITH DONOR RESTRICTIONS	-	-	28,392	27,711	250,000	306,103	306,103
Net Assets Released from Restrictions							
Restrictions Satisfied by Payments	-	-	(28,486)	(27,960)	(250,000)	(306,446)	(306,446)
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	-	-	(94)	(249)	-	(343)	(343)
INCREASE (DECREASE) IN NET ASSETS	(4,122)	-	-	-	-	-	(4,122)
NET ASSETS AT THE BEGINNING OF THE YEAR	99,654	-	-	-	-	-	99,654
NET ASSETS AT THE END OF THE YEAR	\$ 95,532	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,532

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

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
Schedule of Cash Flows
For the Year Ended
June 30, 2020

	Without Donor Restrictions	With Donor Restrictions					Total All Funds
	General	CDBG	MHA	United Way	Workforce	Total	
Operating Activities							
Change in Net Assets	\$ (4,122)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,122)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:							
Provision for Depreciation	4,122	-	-	-	-	-	4,122
Decrease (Increase) in Grants Receivable/Other Receivables	(160)	-	-	(20,945)	(15,768)	(36,713)	(36,873)
Decrease (Increase) in Due from Other Funds	(42,909)	-	(8,304)	(76)	10,250	1,870	(41,039)
Increase (Decrease) in Accounts Payable/Accrued Liabilities	50,349	(45)	10	2,855	(13,847)	(11,027)	39,322
Increase (Decrease) in Deferred Revenue	13,627	-	8,304	77	-	8,381	22,008
Increase (Decrease) in Due to Other Funds	(1,860)	(5,623)	11,068	18,089	19,365	42,899	41,039
Total Adjustments	23,169	(5,668)	11,078	-	-	5,410	28,579
Net Cash Provided (Used) by Operating Activities	19,047	(5,668)	11,078	-	-	5,410	24,457
Net Increase (Decrease) in Cash and Cash Equivalents	19,047	(5,668)	11,078	-	-	5,410	24,457
Cash and Cash Equivalents as of Beginning of Year	51,731	5,668	-	-	-	5,668	57,399
Cash and Cash Equivalents as of the End of Year	\$ 70,778	\$ -	\$ 11,078	\$ -	\$ -	\$ 11,078	\$ 81,856
Supplemental Information:							
Interest Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED

Schedule of Expenses

For the Year Ended

June 30, 2020

	Without Donor Restrictions		Net Assets With Donor Restrictions Released From Restrictions				Total All Funds
	General	CDBG	MHA	United Way	Workforce	Total	
General & Administrative							
Personnel Costs							
Salaries and Wages	\$ -	\$ -	\$ 7,223	\$ -	\$ 88,244	\$ 95,467	\$ 95,467
Payroll Taxes and Other Fringe Benefits	-	-	549	-	15,712	16,261	16,261
Total Personnel Costs	-	-	7,772	-	103,956	111,728	111,728
Other Expenses							
Advertising	-	-	-	-	200	200	200
Bank Service Charges	137	-	-	-	-	-	137
Custodial	-	-	-	-	313	313	313
Depreciation Expense	2,267	-	-	-	-	-	2,267
Dues and Subscriptions	-	-	-	-	1,000	1,000	1,000
Equipment Purchase	-	-	-	11,108	639	11,747	11,747
Equipment Rental	501	-	-	-	4,116	4,116	4,617
Insurance	-	-	-	-	2,826	2,826	2,826
In-Kind Lease Expense	72,090	-	-	-	-	-	72,090
Office Supplies	-	-	-	-	242	242	242
Other Administrative Expenses	4,388	-	-	145	-	145	4,533
Postage	-	-	-	-	231	231	231
Professional Fees	-	-	-	-	5,040	5,040	5,040
Repairs and Maintenance	-	-	-	-	7,215	7,215	7,215
Telephone/Internet	-	-	-	-	5,667	5,667	5,667
Travel	236	-	-	-	-	-	236
Utilities	-	-	-	-	8,403	8,403	8,403
Total Other Expenses	79,619	-	-	11,253	35,892	47,145	126,764
Total General & Administrative	79,619	-	7,772	11,253	139,848	158,873	238,492
Program Expenses							
Personnel Costs							
Salaries and Wages	-	-	15,349	13,007	72,199	100,555	100,555
Payroll Taxes and Other Fringe Benefits	-	-	1,166	2,170	12,854	16,190	16,190
Total Personnel Costs	-	-	16,515	15,177	85,053	116,745	116,745
Other Expenses							
Depreciation Expense	1,855	-	-	-	-	-	1,855
Equipment Purchase	-	-	662	-	522	1,184	1,184
Equipment Rental	410	-	-	-	-	-	410
In-Kind Lease Expense	58,982	-	-	-	-	-	58,982
Insurance	-	-	-	-	2,312	2,312	2,312
Office Supplies	-	-	-	-	198	198	198
Other Program Expenses	-	-	1,310	-	-	1,310	1,310
Postage	-	-	-	-	189	189	189
Repairs and Maintenance	-	-	-	-	5,901	5,901	5,901
Telephone/Internet	-	-	-	-	4,636	4,636	4,636
Training Materials/Supplies	2,434	-	2,227	1,530	4,465	8,222	10,656
Utilities	-	-	-	-	6,876	6,876	6,876
Total Other Expenses	63,681	-	4,199	1,530	25,099	30,828	94,509
Total Program Expenses	63,681	-	20,714	16,707	110,152	147,573	211,254
Total Functional Expenses	\$ 143,300	\$ -	\$ 28,486	\$ 27,960	\$ 250,000	\$ 306,446	\$ 449,746

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

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

For the Year Ended
June 30, 2020

	Budgeted	Actual	Variance
Revenue			
Student Fees and Other Revenue	\$ 8,197	\$ 8,106	\$ 91
Total Revenue	8,197	8,106	91
Expenses			
Personnel Costs			
Salaries and Wages	-	-	-
Payroll Taxes and Other Fringe Benefits	-	-	-
Total Personnel Costs	-	-	-
Other Expenses	5,000	8,106	(3,106)
Total Expenses	5,000	8,106	(3,106)
Change in Net Assets	\$ 3,197	\$ -	\$ 3,197

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

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

For the Year Ended
June 30, 2020

	Budgeted	Actual	Variance
Revenue			
Grants	\$ 36,790	\$ 28,486	\$ 8,304
Total Revenue	36,790	28,486	8,304
Expenses			
Personnel Costs			
Salaries and Wages	22,571	22,572	(1)
Payroll Taxes and Other Fringe Benefits	1,715	1,715	-
Total Personnel Costs	24,286	24,287	(1)
Other Expenses			
Total Expenses	4,250	4,199	51
Total Expenses	28,536	28,486	50
Change in Net Assets	\$ 8,254	\$ -	\$ 8,254

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

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

For the Year Ended
June 30, 2020

	Budgeted	Actual	Variance
Revenue			
Grants	\$ 28,020	\$ 27,960	\$ 60
Total Revenue	28,020	27,960	60
Expenses			
Personnel Costs			
Salaries and Wages	13,007	13,007	-
Payroll Taxes and Other Fringe Benefits	2,246	2,170	76
Total Personnel Costs	15,253	15,177	76
Other Expenses	12,767	12,783	(16)
Total Expenses	28,020	27,960	60
Change in Net Assets	\$ -	\$ -	\$ -

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

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

For the Year Ended
June 30, 2020

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
Revenue			
Grants	\$ 250,000	\$ 250,000	\$ -
Total Revenue	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Expenses			
Personnel Costs			
Salaries and Wages	160,443	160,443	-
Payroll Taxes and Other Fringe Benefits	<u>28,566</u>	<u>28,566</u>	<u>-</u>
Total Personnel Costs	189,009	189,009	-
Other Expenses	<u>60,991</u>	<u>60,991</u>	<u>-</u>
Total Expenses	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Change in Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

OPPORTUNITIES INDUSTRIALIZATION CENTER OF OUACHITA, INCORPORATED
 Schedule of Board Members
 For the Year Ended
 June 30, 2020

Board Member	Title	Location
Mayor Jamie Mayo	Chairman	Monroe, Louisiana
Mrs. Teresia Dickerson	Vice-Chairwoman	Monroe, Louisiana
Mr. John Smith	Secretary	Monroe, Louisiana
Ms. Linda Cole Smith	Treasurer	Monroe, Louisiana
Ms. LaQuita Danna	Public Relations Chairwoman	Monroe, Louisiana
Judge Larry Jefferson	Personnel Chairman	Monroe, Louisiana
Mr. Wilson W. Wilson	Building Committee Chairman	Monroe, Louisiana
Ms. Rosie Lee	Board Member	Monroe, Louisiana
Mr. Bernard Menyweather	Board Member	Monroe, Louisiana
Mr. Gregg Smith	Board Member	Monroe, Louisiana

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

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

For the Year Ended
June 30, 2020

Job Title	William Smith, CPA		Sonya Elmore	
	Executive Director		Bookkeeper	
Salary	S	44,982	\$	33,652
401K		-		-
Benefits-Insurance		-		5,679
Benefits-Retirement		-		-
Other Benefits		-		-
Car Allowance		-		-
Vehicle provided by Organization		-		-
Per Diem		-		-
Reimbursements		-		-
Travel		-		-
Registration Fees		-		-
Conference Travel		-		-
Continuing Professional Education Fees		-		-
Housing		-		-
Unvouchered Expenses		-		-
Special Meals		-		-
Total Compensation	S	44,982	\$	39,331

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