ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL
OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.
ST. VINCENT DE PAUL PROPERTIES
THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

SEPTEMBER 30, 2020

BATON ROUGE, LOUISIANA

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Hannis T. Bourgeois
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Independent Auditor's Report

To the Board of Directors
St. Vincent de Paul Baton Rouge Council
Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana
St. Vincent de Paul Community Pharmacy, Inc.
St. Vincent de Paul Properties
The Society of St. Vincent de Paul Foundation
Baton Rouge, Louisiana

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of St. Vincent de Paul Baton Rouge Council, Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana, St. Vincent de Paul Community Pharmacy, Inc., St. Vincent de Paul Properties, and The Society of St. Vincent de Paul Foundation (the Organizations), which comprise the consolidated statement of financial position as of September 30, 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

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

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Schedule of Expenditures of Federal Awards is required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. In addition, the accompanying Consolidating Statement of Financial Position, Consolidating Statement of Activities, and Schedule of Compensation, Benefits and Other Payments to the President and CEO is presented for the purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2021, on our consideration of the Organizations' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organizations' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organizations' internal control over financial reporting and compliance.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Baton Rouge, Louisiana
February 22, 2021

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.
ST. VINCENT DE PAUL PROPERTIES
THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF SEPTEMBER 30, 2020

ASSETS

Current Assets:	
Cash and Cash Equivalents	$ 3,380,825
Investments	3,702,297
Grants Receivable	295,999
Estate Receivable	1,697,000
Other Receivable	43,688
Accrued Interest	2,550
Prepaid Expenses	46,763
Inventory	306,121
Total Current Assets	9,475,243
Property, Plant and Equipment, Net of Accumulated Depreciation	7,207,662
Investment in GCHP-One Stop, L.L.C.	274,034
Other Assets	28,550
Total Assets	$ 16,985,489

LIABILITIES AND NET ASSETS

Current Liabilities:	
Accounts Payable	$ 49,181
Accrued Liabilities	162,824
Total Current Liabilities	212,005
Net Assets:	
Without Donor Restrictions	14,009,834
With Donor Restrictions:	
Restricted for Purpose or Time	2,690,824
Restricted in Perpetuity	72,826
Total Net Assets	16,773,484
Total Liabilities and Net Assets	$ 16,985,489

The accompanying notes are an integral part of this statement.

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
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THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

CONSOLIDATED STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenue:			
Public Support:			
Contributions	$ 2,327,505	$ 2,441,014	$ 4,768,519
Conference Income	777,960	-	777,960
Donated Facilities/Commodities/ Inventory/Pharmaceuticals/Services	2,777,580	-	2,777,580
Total Public Support	5,883,045	2,441,014	8,324,059
Revenue:			
Grant Income	-	2,517,125	2,517,125
Sale of Merchandise	1,267,475	-	1,267,475
Miscellaneous Income	195,540	-	195,540
PPP Loan Forgiveness Income	343,872	-	343,872
Net Gain on Investments	80,116	-	80,116
Gain on Disposition of Assets	1,857	-	1,857
Interest Income	122,807	540	123,347
Total Revenue	2,011,667	2,517,665	4,529,332
Total Public Support and Revenue	7,894,712	4,958,679	12,853,391
Net Assets Released from Restrictions:			
Satisfaction of Restrictions	2,785,839	(2,785,839)	-
Total Public Support, Revenue, and Net Assets Released from Restrictions	10,680,551	2,172,840	12,853,391
Expenses:			
Program Services	7,456,744	-	7,456,744
Fund Raising	240,676	-	240,676
Management and General	404,474	-	404,474
Total Expenses	8,101,894	-	8,101,894
Change in Net Assets	2,578,657	2,172,840	4,751,497
Net Assets at Beginning of Year	11,431,177	590,810	12,021,987
Net Assets at End of Year	$ 14,009,834	$ 2,763,650	$ 16,773,484

The accompanying notes are an integral part of this statement.

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CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Program Services									Supporting Services			
	Store	Dining Room	Shelter	Particular Council	Properties	Council	Foundation	Pharmacy	Total Program	Fund Raising	Management and General	Total Support	Total Program and Support
Salaries and Employee Benefits	$ 567,714	$ 308,991	$ 842,384	$ 58,500	$ -	$ -	$ -	$ 149,555	$1,927,144	$137,535	$ 220,541	$ 358,076	$ 2,285,220
Payroll Taxes	46,872	23,219	64,917	8,900	-	-	-	11,472	155,380	8,140	14,769	22,909	178,289
Advertising	124,577	1,726	7,240	-	-	-	-	337	133,880	18,742	2,974	21,716	155,596
Auto	51,922	4,800	3,595	-	-	-	-	-	60,317	-	1,254	1,254	61,571
Assistance to Needy and Disaster Relief	2,575	7,726	108,066	-	-	-	-	-	118,367	10,301	20,603	30,904	149,271
Assistance to Needy by Conferences	-	-	-	-	-	608,764	-	-	608,764	-	-	-	608,764
Dues & Publications	1,375	3,179	4,494	-	-	-	-	-	9,048	4,239	8,478	12,717	21,765
Employee Benefits	14,003	13,459	29,709	-	-	-	-	9,699	66,870	7,017	11,951	18,968	85,838
Food Supply Expense	-	556,275	155,376	-	-	-	-	-	711,651	-	-	-	711,651
Insurance	91,142	51,193	126,553	27,000	-	-	-	17,875	313,763	18,083	13,880	31,963	345,726
Legal and Professional	25,683	6,733	24,333	2,300	2,880	-	4,370	2,225	68,524	3,949	23,774	27,723	96,247
Miscellaneous	39,566	43,119	30,316	-	-	-	-	-	113,001	303	23,585	23,888	136,889
Events	430	1,508	1,649	-	-	-	-	-	3,587	3,328	3,298	6,626	10,213
Printing	388	1,165	3,454	-	-	-	-	-	5,007	7,773	3,107	10,880	15,887
Pharmacist Hours (Donated)	-	-	-	-	-	-	-	15,385	15,385	-	-	-	15,385
Pharmaceuticals (Donated)	-	-	-	-	-	-	-	740,071	740,071	-	-	-	740,071
Pharmaceuticals Purchased	-	-	-	-	-	-	-	53,566	53,566	-	-	-	53,566
Repairs and Maintenance	85,574	34,963	93,366	-	-	-	-	7,345	221,248	380	24,463	24,843	246,091
Rent Expense	151,061	-	4,140	6,000	-	-	-	-	161,201	-	-	-	161,201
Store & Uniform Expense	1,337,203	-	18,579	-	-	-	-	-	1,355,782	-	-	-	1,355,782
Supplies	30,273	38,932	52,976	-	-	-	-	6,599	128,780	5,929	9,212	15,141	143,921
Postage	874	2,529	4,564	-	-	-	-	-	7,967	6,093	6,743	12,836	20,803
Telephone	25,439	3,594	11,971	-	-	-	-	2,969	43,973	4,392	1,406	5,798	49,771
Utilities	41,657	19,725	68,815	-	-	-	-	22,286	152,483	4,472	4,969	9,441	161,924
Subtotal	2,638,328	1,122,836	1,656,497	102,700	2,880	608,764	4,370	1,039,384	7,175,759	240,676	395,007	635,683	7,811,442
Depreciation	97,285	29,240	153,684	-	-	-	-	776	280,985	-	9,467	9,467	290,452
Total	$2,735,613	$ 1,152,076	$ 1,810,181	$ 102,700	$ 2,880	$ 608,764	$ 4,370	$1,040,160	$7,456,744	$240,676	$ 404,474	$ 645,150	$ 8,101,894

The accompanying notes are an integral part of this statement.

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THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Cash Flows From Operating Activities:	
Change in Net Assets	$ 4,751,497
Adjustments to Reconcile Change in	
Net Assets to Net Cash Provided by Operating Activities:	
PPP Loan Forgiveness Income	(343,872)
Depreciation	290,452
Gain on Disposition of Assets	(1,857)
Net (Gains) Losses on Investments	(80,116)
Changes in Assets and Liabilities:	
(Increase) Decrease in Grants Receivable and Estate Receivable	(1,709,595)
(Increase) Decrease in Other Receivables	(26,057)
(Increase) Decrease in Accrued Interest	(908)
(Increase) Decrease in Prepaid Expenses	(5,491)
(Increase) Decrease in Inventory	(92,397)
(Increase) Decrease in Other Assets	(11,135)
Increase (Decrease) in Accrued Liabilities	25,148
Increase (Decrease) in Accounts Payable	(101,378)
Cash Provided by Operating Activities	2,694,291
Cash Flows From Investing Activities:	
Investment in GCHP-One Stop, L.L.C.	(30,479)
Net Purchases of Investments	(52,381)
Purchases of Building and Equipment	(1,590,185)
Proceeds from the Sale/Disposition of Assets	2,916
Net Cash Used in Investing Activities	(1,670,129)
Cash Flows From Financing Activities:	
Proceeds from the Issuance of Debt	343,872
Repayments of Debt	(25,904)
Cash Provided by Financing Activities	317,968
Net Increase in Cash and Cash Equivalents	1,342,130
Cash and Cash Equivalents - Beginning of Year	2,038,695
Cash and Cash Equivalents - End of Year	$ 3,380,825
Supplemental Disclosure of Cash Flow Information:	
Cash Payments for:	
Interest	$ 288

The accompanying notes are an integral part of this statement.

Note 1 - Summary of Significant Accounting Policies -

These consolidated financial statements include the activity of St. Vincent de Paul Baton Rouge Council and its wholly-owned subsidiaries, Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana and its subsidiary, St. Vincent de Paul Community Pharmacy, Inc., St. Vincent de Paul Properties, and The Society of St. Vincent de Paul Foundation (collectively, the "Organizations"). All significant intercompany balances and transactions have been eliminated in consolidation.

Nature of Activities

The Society of St. Vincent de Paul Baton Rouge Council ("Council") is a nonprofit corporation organized under the laws of the State of Louisiana for the following purpose: (a) foster, encourage and carry out the works of charity in the spirit of the Society of St. Vincent de Paul, a lay organization of the Catholic Church; (b) unite all St. Vincent de Paul Conferences in the Diocese of Baton Rouge, Louisiana; (c) ensure that all Baton Rouge St. Vincent de Paul Conferences conduct their affairs according to the Rule set forth in the manual of the Society of St. Vincent de Paul in the United States. The members of the Council are the presidents of those Baton Rouge SVDP Conferences that are aggregated and in good standing with the Council. The Organization is exempt from income taxes under 501(c)(3) of the Internal Revenue Code.

The Particular Council of St. Vincent de Paul of Baton Rouge ("Particular Council") is a nonprofit corporation organized under the laws of the State of Louisiana for the purpose of operating special works as the Society of St. Vincent de Paul, a lay organization of the Catholic Church; operating salvage stores; providing a feeding facility for the needy; providing four shelters and one day center for the homeless; a transitional apartment complex for homeless women; and employment, rehabilitation and opportunities for personal growth to disadvantaged individuals. The sole member of the Particular Council is the St. Vincent de Paul Baton Rouge Council. The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

St. Vincent de Paul Community Pharmacy, Inc. ("Pharmacy") is a nonprofit corporation organized under the laws of the State of Louisiana for the purpose of providing a pharmacy for disadvantaged individuals. The Pharmacy operates as a special work of the Society of St. Vincent de Paul, a lay organization of the Catholic Church. The sole member of the Pharmacy is the Particular Council of St. Vincent de Paul Baton Rouge, Louisiana. The Organization is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code.

St. Vincent de Paul Properties ("Properties") is a nonprofit Organization organized and operated for the exclusive purpose of holding title of property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to the Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana, a lay organization of the Catholic Church. The sole member of Properties is St. Vincent DePaul Baton Rouge Council. The Organization is exempt from income taxes under 501(c)(3) of the Internal Revenue Code.

The Society of St. Vincent de Paul Foundation ("Foundation") is a nonprofit corporation organized under the laws of the State of Louisiana to be operated exclusively for the benefit of the Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana, a lay organization of the Catholic Church. The Foundation's primary role is to raise financial resources for the Particular Council. The sole member of the Foundation is St. Vincent de Paul Baton Rouge Council. The Organization is exempt under Section 501(c)(3) of the Internal Revenue Code.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Organizations may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. There were no unrecognized tax benefits identified or recorded as liabilities for the year ended September 30, 2020.

The Organizations file income tax returns in the U.S. federal tax jurisdiction. With few exceptions, the Organizations are no longer subject to federal income tax examinations by tax authorities for years before 2016. Any interest and penalties assessed by income taxing authorities are not significant and are included in general and administrative expenses in these financial statements.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

Basis of Presentation

The Organizations are required to report information regarding their financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. Net assets with donor restrictions can be restricted for purpose, restricted for time, or restricted in perpetuity. These net assets classifications are described as follows:

Net Assets Without Donor Restrictions - not subject to donor-imposed restrictions. Net assets may be designated for specific purposes by action of the Board of Directors.

Net Assets With Donor Restrictions - subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resource be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Net assets restricted in perpetuity include endowment funds on these financials.

Contributions

All contributions are considered available for use without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as donor restricted support, either for time or purpose or in perpetuity, that increases net assets with donor restrictions. When a restriction expires, that is, when a stipulated time restriction ends, or purpose of restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated Statement of Activities as net assets released from restrictions.

It is the Organizations' policy to report contributions of long-lived assets without donor restrictions on the use of the long-lived assets as revenue without donor restriction. Contributions of cash or other assets restricted to acquisition or construction of long-lived assets are recorded as contributions with donor imposed restrictions for purpose. Once the long-lived assets are acquired or placed into service and if there are no donor restrictions on the long-lived asset's use, the donor restrictions are considered met and are released and reclassified to the net assets without donor-imposed restrictions.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

Donated Assets, Goods and Services

Land, buildings and equipment received as donations are recognized in the accompanying consolidated financial statements at their estimated fair market value at the date they are received.

The value of donated items received for resale in the salvage store is recognized in the accompanying consolidated financial statements at their estimated fair value only to the extent that the items were resold. Any items not resold are not recorded as donations in the consolidated financial statements because there is no objective basis available to value such items.

The Organizations recognize contribution revenue for certain services received at the fair value of those services provided those services create or enhance nonfinancial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. During the year ended September 30, 2020, donated services of the pharmacist and accounting services were recorded as the services were performed. The value of other contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. Nevertheless, a number of volunteers donate a significant amount of time in the operations of the stores and dining hall.

The value of donated food received at the dining hall is recognized in the accompanying consolidated financial statements based on the number of meals served. Donated pharmaceuticals are reflected as contributions at the time used.

St. Vincent de Paul donates space to two dentists to provide dental services for shelter residents. The dentists provide all of their own supplies. St. Vincent de Paul also donates space to Thirst for Justice. The Organizations do not record donated revenue for these services because they merely provide the space.

Estimates

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

Cash and Cash Equivalents

For purposes of the consolidated Statement of Cash Flows, the Organizations consider all highly liquid investments without donor restrictions with an initial maturity of three months or less to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the Consolidated Statement of Financial Position. Unrealized gains and losses are included in the Consolidated Statement of Activities. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities accounts will occur in the near term and that such changes could materially affect the amounts reported in the Consolidated Statement of Activities.

Inventory

Inventory is valued at the lower of cost or market. Cost is determined using the first-in, first-out method. Inventory is primarily purchased uniforms.

Property and Equipment

Expenditures for the acquisition of property and equipment are capitalized at cost. The fair value of donated property and equipment is similarly capitalized. Depreciation is provided over the estimated useful lives of the assets, which range from 5 to 39 years, using the straight-line and various accelerated methods.

Contributed Facilities

The Organizations operate, without charge, certain premises upon which their salvage store and shelters are located. The estimated fair rental value of the premises is reported as support and expense in the year in which the premises are used.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Consolidated Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimation of the time spent on each program. All expenses of the Particular Council have been allocated based on time spent on each program or supporting service. Expenses for other entities within the Organization are recorded directly in the program service or supporting service classification in which they were incurred.

COVID-19 Pandemic

The COVID-19 outbreak in the United States and globally has caused an economic downturn on a global scale, disrupted global supply chains, and created significant uncertainty, volatility, and disruption across economies and financial markets. Therefore, uncertainty remains regarding the ongoing impact of the COVID-19 outbreak upon the Organizations' financial condition and future results of operations, as well as upon the significant estimates and assumptions that may be utilized in reporting certain assets and liabilities.

Recent Accounting Pronouncements

During the year ended September 30, 2020, the Organizations implemented ASU 2018-08, Not-for-Profit Entities (Topic 958), Clarifying the Scope and Accounting Guidance for contributions received and contributions made to assist entities in (1) evaluating whether transactions should be accounted for as contributions (non-reciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The adoption of ASU 2018-08 did not result in a change to the accounting for contributions received and contributions made.

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, *Leases (Topic 842)*, which will require leases to be recorded as an asset on the balance sheet for the right to use the leased asset and liability for the corresponding lease obligation for leases with terms of more than twelve months. In November 2019, the FASB issued ASU 2019-10 delaying the effective date for non-public companies to fiscal years beginning after December 15, 2020. In response to the COVID-19 pandemic, ASU 2020-05 was issued in June 2020 delaying the effective date for Topic 842 to fiscal years beginning after December 15, 2021. The Organizations are evaluating the impact the pronouncement may have on the financial statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU replaces nearly all existing U.S. GAAP guidance on revenue recognition. In August 2015, the FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers: Topic 606: Deferral of Effective Date*. This standard delayed the effective date for non-public entities to fiscal years beginning after December 15, 2018, with early adoption permitted. In response to the COVID-19 pandemic, ASU 2020-05 was issued in June 2020 delaying the effective date for Topic 606 to annual reporting periods beginning after December 15, 2019. The Organizations are evaluating the impact the pronouncement may have on the financial statements.

Subsequent Events

The management of the Organizations evaluated subsequent events and transactions for possible recognition or disclosure in the financial statements through February 22, 2021, the date which the financial statements were available to be issued.

Note 2 - Liquidity and Availability -

The following reflects the Organizations' financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor imposed restrictions within one year of the statement of financial position date:

Consolidated Financial Assets at year end:	
Cash and Cash Equivalents	$ 3,380,825
Investments	3,702,297
Grants Receivable	295,999
Estate Receivable	1,697,000
Other Receivable	43,688
	9,119,809
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	(2,690,824)
Add Back: Estate Receivable collected on December 30, 2020	1,697,000
Restricted by donor in perpetuity	(72,826)
Financial assets available to meet cash need for general expenditures within one year	$ 8,053,159

The Organizations' goal is to maintain liquid financial assets to meet 30 days of operating expenses.

The Organizations invest cash in excess of daily requirements in interest bearing savings accounts and investment accounts held by financial institutions.

Note 3 - Property, Plant and Equipment -

A summary of fixed assets as of September 30, 2020 follows:

	Particular Council of SVDP	St. Vincent de Paul Pharmacy	St. Vincent de Paul Properties	Consolidated Total
Buildings and Leasehold Improvements	$ 7,973,335	$ 4,806	$ -	$ 7,978,141
Equipment, Furnishings and Vehicles	1,859,540	20,127	-	1,879,667
	9,832,875	24,933	-	9,857,808
Less: Accumulated Depreciation	(3,670,864)	(21,300)	-	(3,692,164)
	6,162,011	3,633	-	6,165,644
Land	752,937	-	289,081	1,042,018
	$ 6,914,948	$ 3,633	$ 289,081	$ 7,207,662

Depreciation expense for the year ended September 30, 2020 was $290,452.

Note 4 - Concentrations -

Concentrations of credit risk and revenue sources are limited due to the large number of contributions comprising the Organizations' contributor base.

The Organizations maintain cash accounts with commercial banks, which are insured by the Federal Deposit Insurance Corporation up to the maximum allowed. Periodically, cash may exceed the federally insured amount. In addition, cash is on deposit with the Diocese of Baton Rouge and funds are secured by the investment in the Deposit and Loan Fund and by the guaranty of the Diocese.

Note 5 - 403(b) Program -

The Particular Council and the Pharmacy each have a 403(b) program for its employees. Under the programs, qualified employees are able to make elective deferrals and the Organizations contribute up to a maximum of 6% of qualified wages. The total contribution for the year ended September 30, 2020 for the Particular Council and the Pharmacy was $75,630 and $5,396, respectively.

Note 6 - Endowment Funds -

The Particular Council has adopted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). This law provides standards to establish investment policies in a prudent manner by establishing a duty to minimize cost, diversify the investments, investigate facts relevant to the investment of the fund, consider tax consequences of investment decisions and to ensure that investment decisions are made in light of the fund's entire portfolio as a part of an investment strategy having risk and return objectives reasonably suited to the fund and to the organization. UPMIFA also permits the Particular Council to accumulate for expenditure so much of an endowment fund as the Particular

Council determines to be prudent for the uses, benefits, purposes and duration for which the endowment fund is established, thereby eliminating the restriction that a fund could not be spent below its historical dollar value. Seven criteria are to be used to guide the Particular Council in its yearly expenditure decisions:

(1) duration and preservation of the endowment funds,
(2) the purposes of the Particular Council and the endowment funds,
(3) general economic conditions,
(4) effect of inflation or deflation,
(5) the expected total return from income and the appreciation of investments,
(6) other resources of the Particular Council, and
(7) the investment policy of the Particular Council.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organizations' to retain as a fund of perpetual duration. There are no donor-restricted endowment funds (underwater endowments) with fair value below a minimum required amount as of September 30, 2020.

The Organizations' have a policy that permits spending from underwater endowments depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws and regulations. There was no expenditures from underwater endowment funds during the year.

The Particular Council has followed the policy of investing its endowment funds in its savings account. As required by generally accepted accounting principles, and in accordance with the terms of the fund agreements, these endowment funds and the net appreciation (depreciation) of these funds are recorded as net assets with donor-imposed restrictions in these financial statements. The historical cost of the net assets associated with the endowment funds will be preserved, and any remaining net appreciation (depreciation) that is not classified in net assets with donor restrictions in perpetuity is classified as net assets with donor imposed restrictions for purpose.

Endowment net asset composition by type of fund as of September 30, 2020 is as follows:

		With Donor Restrictions		Total
	Without Donor Restrictions	Restricted For Purpose	Restricted In Perpetuity	Endowment Assets
Donor Restricted Endowment Funds	$ -	$ -	$ 72,826	$ 72,826

Changes in endowment net assets for the year ended September 30, 2020 are as follows:

		With Donor Restrictions		Total
	Without Donor Restrictions	Restricted For Purpose	Restricted In Perpetuity	Endowment Assets
Endowment Net Assets, Beginning of Year	$ -	$ -	$ 72,826	$ 72,826
Investment Income	-	540	-	540
Amounts Appropriated for Expenditure	-	(540)	-	(540)
Endowment Net Assets, End of Year	$ -	$ -	$ 72,826	$ 72,826

Note 7 - Investments -

At September 30, 2020, the fair values of the Foundation's investments were as follows:

Mutual Funds:	
Equities	$ 2,412,037
Fixed Income	1,290,260
	$ 3,702,297

Net unrealized gains of $48,533 and realized gains of $61,211, net of investment management and custodial expenses of $29,628, were recognized for the year ended September 30, 2020.

Note 8 - Fair Value Measurements -

The fair value measurement accounting literature provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels. Level 1 inputs to the valuation methodology are based on unadjusted quoted prices for identical assets in active markets that the Foundation has the ability to access. Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets and/or based on inputs that are derived principally from or corroborated by observable market data by correlation or other means. Level 3 inputs are unobservable and are based on assumptions market participants would utilize in pricing the asset.

The Foundation uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. When available, valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis at September 30, 2020:

Level 1 - Mutual Funds - Valued at fair value based on quoted market price of the shares held by the Particular Council at year end.

The Foundation's investments are reported at fair value in the accompanying consolidated statement of financial position. The methods used to measure fair value may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Foundation's investments at fair value on a recurring basis as of September 30, 2020:

	Fair Value as of September 30, 2020			
	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Equities	$ 2,412,037	$ -	$ -	$ 2,412,037
Fixed Income	1,290,260	-	-	1,290,260
Total Investments	$ 3,702,297	$ -	$ -	$ 3,702,297

Note 9 - GCHP- One Stop, L.L.C. - Leases -

St. Vincent de Paul Properties, as Landlord, entered into a grounds lease with GCHP-One Stop, L.L.C., as Tenant, on July 30, 2010. This lease has a rental term of 50 years with a renewal option for an additional 25 years, and may be terminated by the Landlord after 15 years with 30 days written notice. If the termination option is exercised more than 15 years but less than 30 years after inception of the lease, the Landlord would assume the notes, mortgages, and regulatory agreements of the Tenant related to the construction of the leased facility and improvements, and would be required to continue to operate the leased facilities. If the termination option is exercised more than 30 years after inception of the lease, the Landlord would not assume any notes, mortgages, or regulatory agreements, but would be required to continue to operate the leased facilities. The total lease payments to be received each year equal $100 and payment is due in January each year. The following is a schedule by year of the future minimum lease payments receivable under the lease at September 30, 2020:

Fiscal Year:	
2021	$ 100
2022	100
2023	100
2024	100
2025	100
Thereafter	3,400
Total Future Minimum Lease Payments Receivable	$ 3,900

Note 10 - Investment in GCHP- One Stop, L.L.C. -

In July 2010, the Particular Council acquired a 24% interest in GCHP- One Stop, L.L.C., a limited liability company established to develop the One Stop Homeless Service Center and Housing Project. The Particular Council accounts for its investment in the unconsolidated affiliate by the equity method. The Particular Council records its share of such earnings (loss) in the Consolidated Statement of Activities and the carrying value of the investment in the unconsolidated affiliate is recorded in the Consolidated Statement of Financial Position as "Investment in GCHP-One Stop, L.L.C." The investment in the affiliate at September 30, 2020 was $274,034.

Note 11 - Net Assets Released from Restrictions -

Net assets were released from restrictions for the year ended September 30, 2020 for incurring expenses satisfying their restricted purposes as follows:

	Particular Council of SVDP	St. Vincent de Paul Pharmacy	St. Vincent de Paul Foundation	Consolidated Total
Uniforms for Kids	$ 126,741	$ -	$ -	$ 126,741
Shelter Contributions	1,217,102	-	-	1,217,102
Grants	984,963	193,821	-	1,178,784
Dining Room Contributions	181,416	-	-	181,416
Dental Contributions	506	-	-	506
Disaster Contributions	35,962	-	-	35,962
Build a Basket	1,877	-	-	1,877
Gift Program	17,442	-	-	17,442
Store Contributions	25,000	-	-	25,000
V150	1,009	-	-	1,009
Total Restrictions Released	$ 2,592,018	$ 193,821	$ -	$2,785,839

Note 12 - Restrictions/Transfers of Net Assets -

The Organizations received contributions from individuals for the purpose of purchasing school uniforms for disadvantaged children. The funds are restricted to the purchase of new uniforms.

The Organizations received contributions for the purpose of expanding the Pharmacy and Dental Clinic, the Bishop Ott Sweet Dreams Women and Children Shelter and other building costs. The funds are restricted for the purpose of building related expenses.

The Organizations received grants from various sources. The funds are restricted for the purpose of the various grants.

The Organizations received contributions for the purpose of operating its mobile kitchen. The funds are restricted for the purpose of operating the mobile kitchen.

The Organizations received contributions for the purposes of providing assistance to those affected by natural disasters.

The Organizations received contributions for the purposes of providing gifts to disadvantaged children. The funds are restricted to the purchase of toys and gifts.

The Organizations received contributions for the purpose of serving the poor. The funds are restricted for the purpose of assisting the poor and needy.

The Organizations received contributions for the purpose of assisting the store operations. The funds are restricted for the purposes of operating the stores.

The Organizations received contributions for the purpose of constructing a Chapel. The funds are restricted for the purpose of building an on-campus Chapel.

Net assets with donor-imposed or time restrictions at September 30, 2020 for purpose or time are available for the following purposes:

	Particular Council of SVDP	St. Vincent de Paul Pharmacy	St. Vincent de Paul Foundation	Consolidated Total
Pharmaceuticals	$ -	$ 61,090	$ -	$ 61,090
Dental Clinic	-	70,097	-	70,097
Assistance for the Poor	-	-	42,814	42,814
Uniforms for Kids	43,315	-	-	43,315
Shelters	44,881	-	-	44,881
Grants and Chapel Grants	353,591	-	-	353,591
Dental Contributions	3,409	-	-	3,409
Chapel	307,014	-	-	307,014
Community Garden	1,128	-	-	1,128
Mobile Kitchen	46,485	-	-	46,485
Estate Receivable	1,697,000	-	-	1,697,000
Stores	20,000	-	-	20,000
	$ 2,516,823	$ 131,187	$ 42,814	$2,690,824

Net assets with donor-imposed restrictions to last in perpetuity are available for the following purposes:

Dining Room Operations	$ 72,826

Note 13 - Related Party -

The Organizations utilize the Diocese of Baton Rouge for the following self-insured services: property, health, life/disability insurance and dental insurance. Payments made directly to the Diocese of Baton Rouge for these services totaled $486,336 for the fiscal year ended September 30, 2020. In addition to the self-insurance services, the Diocese of Baton Rouge has loaned the Particular Council funds in the past for the purchase of property and related renovations. The balance due to the Diocese of Baton Rouge at September 30, 2020 is $-0- and the Particular Council has made $288 in interest payments related to this debt during the year ended September 30, 2020.

The Organizations pay solidarity dues to the national Society of St. Vincent de Paul. During the fiscal year ended September 30, 2020, solidarity dues of $24,477 were paid by the Organizations.

Note 14 - Lease Commitments -

The Particular Council has entered into a lease agreement for a store location under a non-cancelable operating lease. Future minimum lease payments are as follows:

Fiscal Year:	
2021	$ 49,996
2022	49,996
2023	49,996
2024	12,499
	$ 162,487

The Particular Council has also entered into other lease agreements for the store locations that are paid on a month to month basis. Total rent expense for 2020 was $161,201.

Note 15 - PPP Loan Forgiveness -

In May 2020, the Particular Council qualified for and received loan proceeds in the principal amount of $343,872 pursuant to the Paycheck Protection Program (PPP), a program implemented by the U. S. Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The PPP loan was unsecured and guaranteed by the SBA. The principal amount of the PPP loan is subject to forgiveness under the PPP upon the Particular Council's request to the extent that the PPP loan proceeds were used to pay expenses permitted by the PPP, including payroll costs, covered rent and mortgage obligations, and covered utility payments. The Particular Council has applied for forgiveness of the PPP loan with respect to these covered expenses. As of September 30, 2020, the Particular Council believes it has substantially met the requirements for the PPP loan forgiveness. Therefore, in accordance with generally accepted accounting principles, the Particular Council has recognized PPP loan forgiveness income of $343,872 as it considered that the measurable performance or other barrier and right of return of the PPP loan no longer existed. Subsequent to September 30, 2020, the Particular Council received the PPP loan forgiveness from the SBA. PPP loans are subject to audit for six years from the date of forgiveness. Department of Treasury guidance states that loans over $2 million will be fully audited and loans under $2 million are subject to random audits. If audited, the SBA could redetermine the amount of forgiveness.

Note 16 - Estate Contributions -

The Organizations were notified that they were named as a beneficiary to the estate of a donor (the Estate). Effective May 29, 2020 a final judgment of possession was ordered by the East Baton Rouge Parish Court regarding the Estate. The filed court documents state that the Organizations were the beneficiary in 8.22986% of certain assets of the Estate. During the year ended September 30, 2020, $500,000 was received from the Estate and is recorded as contribution revenue in these financial statements. Subsequent to year end, on December 30, 2020, additional proceeds of $1,697,000 was received from the Estate. As final judgment on the Estate occurred prior to the year ended September 30, 2020, this additional amount has been recorded in these financial statements as a contribution receivable and contribution revenue (time restricted). It has been determined that any future amounts to be received from this Estate cannot be reasonably estimated at this time as liquidation of certain assets of the Estate is still ongoing. Therefore, no other receivables or contributions due from the Estate have been recorded for the year ended September 30, 2020. Therefore any additional proceeds received by the Organizations will be recorded as contribution revenue upon receipt or when the amounts are known. The Estate has notified the Organizations that all funds received, and any future funds received from the Estate may be used for general support.

SUPPLEMENTARY INFORMATION

PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	CFDA	Amount of Federal Expenditures
U.S. Department of Housing and Urban Development		
Passed through City Parish:		
Emergency Solutions Grant Program	14.231	$ 131,202
* COVID-19 Emergency Solutions Grant Program	14.231	146,683
Community Development Block Grant	14.218	145,000
* COVID-19 Community Development Block Grant	14.218	33,403
Direct from HUD - Continuum of Care	14.267	287,999
Passed through State Office of Community Development - Disaster Recovery Unit:		
Community Development Block Grant	14.218	794,491
Passed through Louisiana Department of Social Service, Office Of Community Services:		
Emergency Solutions Grant Program	14.231	73,236
Total U.S. Department of Housing and Urban Development		1,612,014
U.S. Department of Homeland Security		
Passed Through United Way of America:		
Emergency Food and Shelter Program - FEMA	97.024	94,824
Total U.S. Department of Homeland Security		94,824
U.S. Department of Health and Human Services		
Passed Through State Administrator of Children and Families Department of Children and Family Services:		
Temporary Assistance for Needy Families	93.558	18,296
Total U.S. Department of Health and Human Services		18,296
Total Federal Assistance		$ 1,725,134

See independent auditor's report.

PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Note A - Significant Accounting Policies -

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Organizations and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Note B - Indirect Cost Rate Election -

The Organizations did not elect to use the 10% de minimis indirect cost rate during the year ended September 30, 2020.

*Denotes COVID-19 relief related federal assistance.

See independent auditor's report.

HTB Hannis T. Bourgeois
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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
Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana
St. Vincent de Paul Community Pharmacy, Inc.
Baton Rouge, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of the Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana and St. Vincent de Paul Community Pharmacy, Inc., (the Organizations), which comprise the consolidated statement of financial position as of September 30, 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated February 22, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organizations' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organizations' internal control. Accordingly, we do not express an opinion on the effectiveness of the Organizations' 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 entities' consolidated financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

This report is intended solely for the information and use of the Board of Directors, management, the Office of the Louisiana Legislative Auditor and any cognizant agency and is not intended to be and should not be used by anyone other than these specified parties. However, under the provisions of Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document and its distribution is not limited.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Baton Rouge, Louisiana
February 22, 2021

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Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Directors
Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana
St. Vincent de Paul Community Pharmacy, Inc.
Baton Rouge, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana and St. Vincent de Paul Community Pharmacy, Inc.'s ("The Organizations") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organizations' major federal programs for the year ended September 30, 2020. The Organizations' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Organizations complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2020.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2020-001. Our opinion on each major federal program is not modified with respect to this matter.

The Organizations' response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Organizations' response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2020-001 to be a significant deficiency.

The Organizations' response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Organizations' response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Respectfully submitted,

Hannis T. Bourgeois, LLP

Baton Rouge, Louisiana
February 22, 2021

PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

(1) Summary of Auditor's Results

Financial Statements

Type of auditors' report issued: Unmodified.

- Material weakness(es) identified? ________ Yes __x__ No
- Significant deficiency(s) identified that are not considered to be material weaknesses? ________ Yes __x__ None reported

Noncompliance material to financial statements noted? ________ Yes __x__ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ________ Yes __x__ No
- Significant deficiency(s) identified that are not considered to be material weaknesses? __x__ Yes ________ No

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of the Uniform Guidance? ________ Yes __x__ No

Identification of major program:

Federal Grantor/ Pass - Through Grantor/ Program Title	CFDA Number
U.S. Department of Housing and Urban Development	
Passed through City Parish:	
Community Development Block Grant and COVID-19 Community Development Block Grant	14.218
Passed through State Office of Community Development - Disaster Recovery Unit	
Community Development Block Grant	14.218

- The threshold for distinguishing Types A and B programs was $750,000.
- The Organizations were determined to be a high-risk auditee, in accordance with 2 CFR 200.520, as the Organizations have not been subject to a Uniform Guidance audit in each of the past two years.

(CONTINUED)

(2) Findings Relating to the Financial Statements Reported in accordance with *Government Auditing Standards*:

None

(3) Findings Relating to Compliance and Other Matters:

None

(4) Findings and Questioned Cost Related to Federal Awards:

See Finding 2020-001

Finding 2020-001 - Three-Day Expenditure Rule

Criteria: The Community Development Block Grant (CDBG) is required to adhere to the CDBG Grantee Handbook.

Condition: The CDBG Grantee Handbook includes a "Three-Day Expenditure Rule" which requires checks to be disbursed within three working days of the receipt of CDBG funds. In order to comply with the "three-day-rule", the Organizations' should arrange to be notified the day a CDBG deposit is received by the bank or check to verify the deposit.

Cause: Multiple checks were written by the Organizations' to pay the CDBG expenditures more than three working days after the corresponding deposit from the State Office of Community Development was received by the Organizations' bank.

Effect or Potential Effect: Due to this finding, the Organizations' did not adhere to the CDBG Grantee Handbook "Three-Day Expenditure Rule". This finding was also mentioned in written communication from the Office of Community Development to the Organizations dated January 15, 2021.

Recommendation: We recommend that in order to adhere to the "Three-Day Expenditure Rule", the Organizations' implement a procedure by which they are notified the day a CDBG deposit is received by the bank or check to verify the deposit. We further recommend that checks be disbursed within three working days of the receipt of CDBG funds.

Management Response: Management identified three areas that contributed to its performance resulting in this finding of deficiency. First, they used a manual inspection process of their bank accounts for notification of receipt of electronic deposits. Second, they are an agency with a small administrative staff. During the administration of this grant, they only had one staff person, the Comptroller, (aside from the President & CEO) who can view and manage the bank account used for electronic deposits for this grant. They do this to better maintain the confidentiality of their finances and for appropriate separation of accounting duties. Third, two of the three staff who managed the process of documenting receipt of funds and disbursing the checks do not work a traditional five-day week, and one of the three is a part time staff member whose work days do not all coincide with the

Comptroller work days. Fourth, the Organizations rely on their volunteer Board of Directors for the second signee of the checks, and typically one volunteer Board Member is the main check signee.

Finding the second signee and getting the check and back-up documentation to them quickly was difficult at times, due to their busy work lives away from the Organization. It was a combination of these factors that resulted in the missed deadlines for funds disbursement. Management gives its assurance that the Organizations' will disburse all program funds within the required three days for all future grants. This will be accomplished through implementation of the following system:

1. The Organizations will set up another, separate bank account for the receipt and disbursement of LCDBG funds. Through working with their bank, this account will have two different features. One, it will have an automatic email notification to at least three staff of receipt of funds. Two, it will have "read" and "viewing" rights by at least three staff. These staff will be the Comptroller, Bookkeeper and at least one of the two Grants Management & Acquisition staff.

2. These same three staff will have the additional work responsibility of a daily review of this account for received funds. The Bookkeeper and Grants Management and Acquisition staff persons will only be able to view the account and will have no ability to manage or change the account in keeping with good accounting separation of duties principles.

3. As soon as any one of these three staff notice receipt of LCDBG funds, they will notify the other staff, including the Bookkeeper.

4. The Bookkeeper will write check the same day and obtain both required signatures on or before the third day following receipt of funds.

   a. At the start of another LCBDG grant, the Organizations will leverage the work of the volunteer signee Board Members to have multiple people available for a fast response to signing LCDBG disbursement checks.

5. The Organizations' Financial Management policies will be changed to reflect the above plan.

The Organizations received written notification from the Office of Community Development on February 22, 2021 that the above finding has been cleared based on Management's Response above.

PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

There were no prior year audit findings.

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.
ST. VINCENT DE PAUL PROPERTIES
THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

AS OF SEPTEMBER 30, 2020

ASSETS

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties	St. Vincent dePaul Foundation	St. Vincent dePaul Pharmacy	Eliminations	Total
Current Assets:							
Cash and Cash Equivalents	$415,570	$ 2,119,448	$ 2,100	$ 692,124	$151,583	$ -	$ 3,380,825
Investments	-	-	-	3,702,297	-	-	3,702,297
Grants Receivable	-	262,596	-	-	33,403	-	295,999
Estate Receivable	-	1,697,000	-	-	-	-	1,697,000
Other Receivable	-	43,588	-	-	100	-	43,688
Accrued Interest	-	1,729	-	819	2	-	2,550
Prepaid Expenses	-	42,243	-	-	4,520	-	46,763
Inventory	-	280,468	-	-	25,653	-	306,121
Due From Related Entities	605	-	-	-	17,293	(17,898)	-
Total Current Assets	416,175	4,447,072	2,100	4,395,240	232,554	(17,898)	9,475,243
Property, Plant and Equipment, Net of Accumulated Depreciation	-	6,914,948	289,081	-	3,633	-	7,207,662
Investment in GCHP-One Stop, L.L.C.	-	274,034	-	-	-	-	274,034
Other Assets	-	24,950	-	-	3,600	-	28,550
Total Assets	$416,175	$ 11,661,004	$291,181	$4,395,240	$239,787	$ (17,898)	$16,985,489

(CONTINUED)

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.
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CONSOLIDATING STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS OF SEPTEMBER 30, 2020

LIABILITIES AND NET ASSETS

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties	St. Vincent dePaul Foundation	St. Vincent dePaul Pharmacy	Eliminations	Total
Current Liabilities:							
Current Portion of Long-Term Debt	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts Payable	-	48,253	-	-	928	-	49,181
Accrued Liabilities	-	154,926	-	-	7,898	-	162,824
Due to Related Entities	-	17,898	-	-	-	(17,898)	-
Total Current Liabilities	-	221,077	-	-	8,826	(17,898)	212,005
Net Assets:							
Without Donor Restrictions	416,175	8,850,278	291,181	4,352,426	99,774	-	14,009,834
With Donor Restrictions:							
Restricted For Purpose or Time	-	2,516,823	-	42,814	131,187	-	2,690,824
Restricted in Perpetuity	-	72,826	-	-	-	-	72,826
Total Net Assets	416,175	11,439,927	291,181	4,395,240	230,961	-	16,773,484
Total Liabilities and Net Assets	$416,175	$ 11,661,004	$291,181	$4,395,240	$239,787	$ (17,898)	$16,985,489

See independent auditor's report.

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
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THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties	St. Vincent dePaul Foundation	St. Vincent dePaul Pharmacy	Eliminations	Total
Changes in Net Assets Without Donor Restrictions:							
Public Support and Revenue Without Donor Restrictions:							
Contributions	$ -	$ 2,215,014	$ -	$ -	$ 112,491	$ -	$ 2,327,505
Conference Income	777,960	-	-	-	-	-	777,960
Donated Facilities/Commodities/ Inventory/Pharmaceuticals/Services	-	2,018,949	480	470	860,381	(102,700)	2,777,580
Sale of Merchandise	-	1,267,475	-	-	-	-	1,267,475
Interest Income	-	13,473	-	109,309	25	-	122,807
Gain on Disposition of Assets	-	1,857	-	-	-	-	1,857
Miscellaneous Income	-	195,500	-	-	40	-	195,540
PPP Loan Forgiveness Income	-	343,872	-	-	-	-	343,872
Net Gain on Investments	-	-	-	80,116	-	-	80,116
Net Assets Released From Restrictions	-	2,592,018	-	-	193,821	-	2,785,839
Total Public Support and Revenues Without Donor Restrictions	777,960	8,648,158	480	189,895	1,166,758	(102,700)	10,680,551
Expenses:							
Program Services	608,764	5,800,570	2,880	4,370	1,045,860	(5,700)	7,456,744
Fund Raising	-	233,700	-	-	43,576	(36,600)	240,676
Management and General	-	371,719	-	-	93,155	(60,400)	404,474
Total Expenses	608,764	6,405,989	2,880	4,370	1,182,591	(102,700)	8,101,894
Change in Net Assets Without Donor Restrictions	169,196	2,242,169	(2,400)	185,525	(15,833)	-	2,578,657

(CONTINUED)

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
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ST. VINCENT DE PAUL PROPERTIES
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CONSOLIDATING STATEMENT OF ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties	St. Vincent dePaul Foundation	St. Vincent dePaul Pharmacy	Eliminations	Total
Changes in Net Assets with Donor Restrictions:							
Public Support and Revenues with Donor Restrictions:							
Contributions	-	2,370,917	-	-	70,097	-	2,441,014
Grant Income	-	2,270,025	-	-	247,100	-	2,517,125
Interest Income	-	540	-	-	-	-	540
Net Assets Released from Restrictions	-	(2,592,018)	-	-	(193,821)	-	(2,785,839)
Change in Net Assets with Donor Restrictions	-	2,049,464	-	-	123,376	-	2,172,840
Change in Net Assets	169,196	4,291,633	(2,400)	185,525	107,543	-	4,751,497
Net Assets, Beginning of Year	257,979	7,143,594	291,181	4,205,815	123,418	-	12,021,987
Transfer to (from) Entities	(11,000)	4,700	2,400	3,900	-	-	-
Net Assets, End of Year	$ 416,175	$ 11,439,927	$291,181	$4,395,240	$ 230,961	$ -	$ 16,773,484

See independent auditor's report.

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
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THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO THE PRESIDENT & CEO

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Agency Head Name: Michael J. Acaldo

Purpose	Amount
Salary *	$ 140,592
Benefits - Insurance	$ 7,665
Benefits - Retirement	$ 8,436

* Salary includes role as President and CEO, Development Director, Chief Grant Writer, Public Relations Director, Chief Operating Officer and Executive Role on the Foundation, Properties and Council.

See independent auditor's report.