

**Volunteers of America of North Louisiana
Shreveport, Louisiana**

June 30, 2024

Volunteers of America of North Louisiana
Shreveport, Louisiana

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Volunteers of America of North Louisiana
Shreveport, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Volunteers of America of North Louisiana (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2024, 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.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Volunteers of America of North Louisiana as of June 30, 2024, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Volunteers of America of North Louisiana and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Volunteers of America

of North Louisiana's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Volunteers of America of North Louisiana's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Volunteers of America of North Louisiana's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of compensation, benefits and other payments to agency head or chief executive officer is presented for purposes of additional analysis of the consolidated financial statement and is not a required part of the consolidated financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the 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

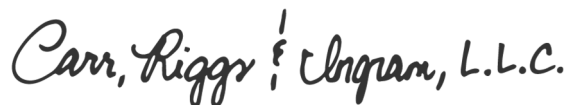
statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits and other payments to agency head or chief executive officer; and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited Volunteers of America of North Louisiana 2023 combined financial statements, and we expressed an unmodified audit opinion on those audited combined financial statements in our report dated November 13, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2024, on our consideration of Volunteers of America of North Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Volunteers of America of North Louisiana'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 Volunteers of America of North Louisiana's internal control over financial reporting and compliance.



CARR, RIGGS & INGRAM, L.L.C.

Shreveport, Louisiana
December 16, 2024

Volunteers of America of North Louisiana
Shreveport, Louisiana

Consolidated Statement of Financial Position
June 30, 2024
(with Comparative Totals for 2023)

	2024	2023
ASSETS		
CURRENT ASSETS		
CASH AND CASH EQUIVALENTS	\$ 2,787,662	\$ 4,466,914
ACCOUNTS RECEIVABLE, NET	2,289,159	1,953,768
PLEDGES RECEIVABLE, NET	619,629	564,747
SHORT TERM INVESTMENTS	1,018,891	-
PREPAID EXPENSES	113,889	125,129
OTHER CURRENT ASSETS	242,353	228,486
TOTAL CURRENT ASSETS	<u>7,071,583</u>	<u>7,339,044</u>
FIXED ASSETS		
LAND AND BUILDINGS	3,828,429	3,827,371
FURNISHINGS AND EQUIPMENT	1,004,846	754,346
ACCUMULATED DEPRECIATION	<u>(3,156,797)</u>	<u>(3,010,488)</u>
TOTAL FIXED ASSETS	<u>1,676,478</u>	<u>1,571,229</u>
OTHER ASSETS		
RIGHT OF USE ASSETS	493,464	450,410
DESIGNATED AND RESTRICTED ASSETS	4,152,085	3,711,786
LONG TERM INVESTMENTS	1,225,730	124,520
OTHER ASSETS	2,084,665	2,046,288
TOTAL OTHER ASSETS	<u>7,955,944</u>	<u>6,333,004</u>
TOTAL ASSETS	<u><u>\$ 16,704,005</u></u>	<u><u>\$ 15,243,277</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 314,419	\$ 218,177
CURRENT PORTION LONG TERM DEBT	725,121	250,000
ACCRUED EXPENSES	668,194	529,577
REFUNDABLE ADVANCES	69,300	50,995
LEASE LIABILITY - SHORT TERM	221,175	227,325
OTHER CURRENT LIABILITIES	1,579	3,414
TOTAL CURRENT LIABILITIES	<u>1,999,788</u>	<u>1,279,488</u>
OTHER LIABILITIES		
MORTGAGES PAYABLE, NON CURRENT	-	390,000
LEASE LIABILITY - LONG TERM	272,290	223,084
OTHER LONG TERM LIABILITIES	196,584	83,488
TOTAL OTHER LIABILITIES	<u>468,874</u>	<u>696,572</u>
TOTAL LIABILITIES	<u>2,468,662</u>	<u>1,976,060</u>
NET ASSETS		
WITHOUT DONOR RESTRICTIONS	8,055,574	7,259,237
WITH DONOR RESTRICTIONS	6,179,769	6,007,980
TOTAL NET ASSETS	<u>14,235,343</u>	<u>13,267,217</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 16,704,005</u></u>	<u><u>\$ 15,243,277</u></u>

The accompanying Notes are an integral part of these consolidated financial statements.

Volunteers of America of North Louisiana
Shreveport, Louisiana

Consolidated Statement of Activities
for the Year Ended June 30, 2024
(with Comparative Totals for 2023)

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	2024 TOTAL	2023 TOTAL
REVENUE FROM OPERATIONS				
<i>PUBLIC SUPPORT RECEIVED DIRECTLY</i>				
Contributions	\$ 1,489,522	\$ 1,497,166	\$ 2,986,688	\$ 3,403,027
Contributions, In-Kind	372,519	-	372,519	329,087
Grants	141,461	-	141,461	-
<i>PUBLIC SUPPORT RECEIVED INDIRECTLY</i>				
United Way	387	-	387	595
Combined Federal Campaign	554	-	554	780
TOTAL PUBLIC SUPPORT	2,004,443	1,497,166	3,501,609	3,733,489
<i>REVENUE & GRANTS FROM GOVERNMENTAL AGENCIES</i>				
Government Grants & Contracts	14,441,772	-	14,441,772	14,943,250
TOTAL GOVERNMENTAL REVENUE	14,441,772	-	14,441,772	14,943,250
<i>OTHER REVENUE</i>				
Program Service Fees	711,491	-	711,491	500,080
Rental Income	500	-	500	600
Other Operating Income	8,401	-	8,401	3,813
TOTAL OTHER REVENUE	720,392	-	720,392	504,493
<i>NET ASSETS RELEASED FROM RESTRICTION</i>	1,655,542	(1,655,542)	-	-
TOTAL REVENUE FROM OPERATIONS	18,822,149	(158,376)	18,663,773	19,181,232
OPERATING EXPENSES				
Encouraging Positive Development	3,056,025	-	3,056,025	2,607,979
Fostering Independence	9,074,754	-	9,074,754	8,445,292
Promoting Self-Sufficiency	3,090,236	-	3,090,236	3,332,991
TOTAL PROGRAM SERVICES	15,221,015	-	15,221,015	14,386,262
Management and General	2,545,751	-	2,545,751	2,508,953
Fund Raising	870,022	-	870,022	785,508
TOTAL SUPPORTING SERVICES	3,415,773	-	3,415,773	3,294,461
TOTAL OPERATING EXPENSES	18,636,788	-	18,636,788	17,680,723
EXCESS (DEFICIT) FROM OPERATIONS	185,361	(158,376)	26,985	1,500,509
NON-OPERATING ACTIVITY				
Interest and Dividend Income	477,941	49,506	527,447	341,573
Gains (losses) on Disposition of Assets	-	-	-	29,699
Gains (losses) from Insurance Proceeds	-	-	-	52,661
Gains (losses) on Investments	133,035	280,659	413,694	258,365
TOTAL NON-OPERATING ACTIVITY	610,976	330,165	941,141	682,298
CHANGE IN NET ASSETS	796,337	171,789	968,126	2,182,807
NET ASSETS AT BEGINNING OF PERIOD	7,259,237	6,007,980	13,267,217	11,084,410
NET ASSETS AT END OF PERIOD	\$ 8,055,574	\$ 6,179,769	\$ 14,235,343	\$ 13,267,217

The accompanying Notes are an integral part of these consolidated financial statements.

Volunteers of America of North Louisiana
Shreveport, Louisiana

Consolidated Statement of Functional Expenses
for the Year Ended June 30, 2024
(with Comparative Totals for 2023)

	PROGRAM SERVICES				SUPPORTING SERVICES			2024	
	ENCOURAGING POSITIVE DEVELOPMENT	FOSTERING INDEPENDENCE	PROMOTING SELF- SUFFICIENCY	TOTAL	MANAGEMENT AND GENERAL	FUND RAISING	TOTAL	TOTALS	2023
SALARIES AND WAGES	\$ 1,663,155	\$ 6,055,450	\$ 1,243,545	\$ 8,962,150	\$ 1,332,178	\$ 285,653	\$ 1,617,831	\$ 10,579,981	\$ 9,519,150
EMPLOYEE BENEFITS	279,878	918,930	231,796	1,430,604	255,040	30,354	285,394	1,715,998	1,549,519
PROFESSIONAL SERVICES	267,798	783,335	490,874	1,542,007	716,650	357,338	1,073,988	2,615,995	2,457,277
OCCUPANCY	304,638	184,363	57,320	546,321	83,772	12,571	96,343	642,664	838,630
SPECIFIC ASSISTANCE	272,824	925,956	844,219	2,042,999	8,268	28,487	36,755	2,079,754	2,200,580
PROGRAM SUPPLIES AND EQUIPMENT	191,586	66,106	89,761	347,453	38,982	19,334	58,316	405,769	508,805
OFFICE SUPPLIES AND EXPENSE	8,938	20,792	8,061	37,791	9,047	18,879	27,926	65,717	72,271
INTEREST	-	-	-	-	-	-	-	-	882
TRAVEL, CONFERENCES AND MEETINGS	67,165	114,928	30,695	212,788	39,753	16,794	56,547	269,335	256,974
OTHER	43	2,077	36	2,156	6,155	100,612	106,767	108,923	146,421
TOTAL EXPENSES BEFORE DEPRECIATION	3,056,025	9,071,937	2,996,307	15,124,269	2,489,845	870,022	3,359,867	18,484,136	17,550,509
DEPRECIATION	-	2,817	93,929	96,746	55,906	-	55,906	152,652	130,215
TOTAL FUNCTIONAL EXPENSES	\$ 3,056,025	\$ 9,074,754	\$ 3,090,236	\$ 15,221,015	\$ 2,545,751	\$ 870,022	\$ 3,415,773	\$ 18,636,788	\$ 17,680,724

The accompanying Notes are an integral part of these consolidated financial statements.

Volunteers of America of North Louisiana

Shreveport, Louisiana

Consolidated Statement of Cash Flows for the Year Ended June 30, 2024 (with Comparative Totals for 2023)

	2024	2023
Change in Net Assets	\$ 968,126	\$ 2,182,807
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided by (Used in) Operating Activities		
Depreciation	152,652	130,215
Contributions Restricted to Long-term	57,620	56,000
Restricted Interest & Dividends	(49,506)	(49,877)
(Gain) Loss on Insurance Proceeds	-	(52,661)
(Gain) Loss on Disposal of Fixed Assets	-	(29,699)
Amortization of Operating Lease Right-of-Use Assets	43,055	255,713
(Gain) Loss on Investments	(413,694)	(258,365)
(Increase) Decrease in:		
Accounts Receivable, Net	(335,391)	(209,436)
Pledges Receivable, Net	(54,882)	(11,988)
Prepaid Expenses	11,240	46,427
Other Assets	(83,292)	(604,440)
Increase (Decrease) in:		
Accounts Payable	96,242	(72,500)
Refundable Advances	18,305	(578,987)
Accrued Expenses	138,617	(106,543)
Operating Lease Liabilities	(43,055)	(255,713)
Client Custodial Receipts	32,465	(11,077)
Other Liabilities	46,680	281,212
Net Cash Provided by (Used in) Operating Activities	585,182	711,088
Cash Flows from Investing Activities		
Proceeds from Sale of Fixed Assets	-	29,699
Proceeds from Property & Equipment Insurance Recovery	-	52,661
Proceeds from (Loans to) Related Parties	(12,006)	(7,858)
Proceeds from (Purchases of) Investments	(2,044,533)	(191,127)
Purchase of Property and Equipment	(257,900)	(105,715)
Annual Distribution from Endowment	129,619	121,696
Net Cash Provided by (Used in) Investing Activities	(2,184,820)	(100,644)
Cash Flows from Financing Activities		
Contributions Restricted for Long-term Purposes	(57,620)	(56,000)
Restricted Interest & Dividends	49,506	49,877
Payments on Notes Payable	(52,509)	-
Proceeds from Issuance of Notes Payable	212,803	-
Net Cash Provided by (Used in) Financing Activities	152,180	(6,123)
Net Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash	(1,447,458)	604,321
Cash, Cash Equivalents, and Restricted Cash - Beginning	4,715,014	4,110,693
Cash, Cash Equivalents, and Restricted Cash - Ending	\$ 3,267,556	\$ 4,715,014
Schedule of Noncash Transactions		
Lease Liabilities Arising from Obtaining Right-of-Use Assets	\$ 336,878	\$ 95,874
Supplemental Disclosure of Cash Flow Information:		
Cash Paid for Interest During the Year	\$ -	\$ 882

The accompanying Notes are an integral part of these consolidated financial statements.

Volunteers of America of North Louisiana

Shreveport, Louisiana

Notes to the Consolidated Financial Statements
June 30, 2024

Note 1 Organization

Volunteers of America of North Louisiana (VOANLA) is a nonprofit spiritually based human services organization, incorporated in the State of Louisiana, that provides social services within North Louisiana under a charter from Volunteers of America, Inc., a national nonprofit spiritually based organization providing local human service programs, and opportunities for individual and community involvement. The consolidated financial statements for Volunteers of America of North Louisiana include the accounts of Volunteers of America of North Louisiana, Volunteers of America of North Louisiana Holding Corporation and Volunteers of America of North Louisiana McAdoo Services Corporation, which collectively are referred to as “the Organization” or “the Agency”.

The Organizations’s programs are grouped into three major impact areas:

Encouraging Positive Development

The Organization provides services to encourage positive development for troubled and at-risk children and youth, while also promoting the healthy development of all children, adolescents and their families. The Organization’s programs provide a continuum of care and support for young people ages birth to 21 through prevention, early intervention, crisis intervention and long-term services.

For the Organization, this impact area includes the following program categories:

Children and Youth

- Communities in Schools – mentor and school-based services
- The LightHouse – school-based and community-based learning services

Community Enhancement

- Neighbors for Neighbors – family support

Fostering Independence

The Organization fosters the health and independence of the elderly and persons with disabilities, mental illness and HIV/AIDS through quality affordable housing, health care services and a wide range of community services.

For Volunteers of America of North Louisiana, this impact area includes the following program categories:

Disabilities Services

- Direct Support – in-home supports for persons living with development disabilities
- Supervised Independent Living – support and care for persons living with disabilities, providing opportunity to be as independent as possible

Health Care Services

- Integrated Community Health – services are currently offered to eligible United Healthcare members experiencing severe medical and behavioral health diagnoses

Mental Health

- GAPS – supportive housing for persons living with mental illness in a congregate setting
- SHOC – supportive housing for persons living with mental illness in scattered sites
- Level Up – supportive housing for homeless youth ages 18-24, addressing current needs and past trauma

- Adult Behavioral Health – home and community-based outpatient services for adults living with serious mental illness
- Youth Behavioral Health – school, home and community-based behavioral health services for youth experiencing emotional and/or behavior problems
- EpiCenter – behavioral health services and supports for persons of all ages who have recently begun experiencing psychosis or signs and symptoms of psychosis

Housing – Disabled Housing and Elderly Housing

- HUD Management – 114 units at five (5) HUD Multi-family properties, housing persons with disabilities
- Jordan Street Apartments – 4 two-bedroom units for individuals and families, including veterans and those with developmental disabilities

Promoting Self-Sufficiency

Volunteers of America promotes self-sufficiency for individuals and families who have experienced homelessness or other personal crises, including chemical dependency, involvement with the corrections system and unemployment. The Organization focuses on solution-oriented approaches, using a continuum of services from prevention to intervention to long-term support.

For Volunteers of America of North Louisiana, this impact area includes the following program categories:

Community Enhancement

- Choice Neighborhoods - initiative dedicated to redeveloping neighborhoods through community services and affordable housing

Homeless Services

- Supportive Services for Veteran Families – eviction prevention, employment, and other services for veterans and their families to prevent future homelessness
- VA Housing – transitional housing providing shelter, food, and counseling to veterans in need as they transition to permanent housing
- Safe Haven – emergency transitional shelter for homeless veterans
- Substance Use Disorder Services - address veterans' physical, emotional, and psychological needs as they navigate the journey to sobriety

The continued existence of new funds for the preceding programs, which are primarily funded through grants and contracts, will be dependent upon contractual renewals with the Organization's various funding sources.

The functional services reported on the face of the statement of activities should correspond to the Impact Areas.

Supporting Services

- Management and General
- Fund Raising

Note 2 Summary of Significant Accounting Policies

Basis of Accounting - The accounting policies of Volunteers of America of North Louisiana conform to accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to voluntary health and welfare organizations. The Organization prepares its consolidated financial statements on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred. The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

The more significant accounting policies of the Organization are described below:

Principles of Consolidation – The consolidated financial statements for Volunteers of America of North Louisiana include the accounts of Volunteers of America of North Louisiana, Volunteers of America of North Louisiana Holding Corporation and Volunteers of America of North Louisiana McAdoo Services Corporation. All significant inter-organization transactions and balances have been eliminated from the consolidated financial statements.

Net Assets – The Organization reports information regarding its financial position and activities according to two classes of net assets that are based on the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and capital assets reserve.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Accounts Receivable and Allowance for Credit Losses – Volunteers of America of North Louisiana predominantly extends credit through billing for reimbursement of allowed costs in connection with providing services under contract or grant with various federal, state, and local agencies. The Organization also extends credit to select individuals in the course of other services for fees in North Louisiana. All extensions of credit are on an unsecured basis. Grant receivables are recorded at the amount billed and are deemed delinquent based on contractual terms. The allowance for credit losses is management's best estimate of the amount of expected credit losses in the existing accounts based on current market conditions. Historically, losses on uncollectible accounts have been within management's expectations. The allowance for credit losses is reviewed on a periodic basis to ensure there is sufficient reserve to cover any potential credit losses. Collections on accounts previously written off are included in the change in net assets as received. The allowance for credit losses related to accounts receivable was \$113,836 at June 30, 2024.

Promises to Give (Pledges Receivable) – Contributions, including unconditional promises to give, are recognized as revenues in the period the contribution or the promise is received. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. The discount on these amounts are computed using a rate of 8.50%, which is based on the average borrowing rate on the Organization's lines of credit. Conditional promises to give are not recognized until the promise becomes unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. An allowance for uncollectible contributions receivable is provided based upon management's judgment including such factors as prior collection history, type of contribution, and nature of fundraising activity. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

Property and Equipment – Land, buildings and equipment purchased by Volunteers of America of North Louisiana are recorded at cost. The Organization follows the practice of capitalizing all expenditures for land, buildings and equipment over \$5,000; the fair value of donated fixed assets is similarly capitalized. Depreciation is computed on the straight-line method based upon the following estimated useful lives of the assets: furniture and equipment – five to ten years; transportation vehicles – five years; and buildings and improvements – thirty years. Repairs in excess of \$5,000 that do not significantly extend the life of the underlying asset are expensed as incurred. Certain property and equipment purchased with grant funds may revert back to the funding agency if the program is closed or abandoned and proceeds from the sale of certain property could be returned to the granting agency.

Leases – The Organization leases equipment, real estate and vehicles. Management determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities in the consolidated statement of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, management uses the fitted yield on zero coupon bonds based on the information available at the commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

In evaluating contracts to determine if they qualify as a lease, Management considers factors such as if the Organization has obtained substantially all of the rights to the underlying asset through exclusivity, if the Organization can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

The Organization has elected to apply the short-term lease exception to all leases with a term of one year or less.

Cash, Cash Equivalents and Restricted Cash – For purposes of financial presentation, the Organization considers all investments and certificates of deposit with original maturities of three months or less to be cash equivalents, unless held for reinvestment as part of the investment portfolio. Restricted cash, included in designated and restricted assets and other assets on the statement of financial position, consists of amounts required to be held in separate accounts.

Restricted and Designated Assets - Restricted and designated assets represent the total of assets that are encumbered by donor restrictions, legal agreements, and board designation or are otherwise unavailable for the general use of the Organization. This category generally includes client/custodial funds, escrow/reserve funds, with or without donor restrictions, and securities that are pledged and held by the lender as collateral for financing. Donors include other types of contributors, including makers of certain grants.

Revenue Recognition – Program service fees and payments under various contracts are accounted for under ASC Topic 606, *Revenue from Contracts with Customers*, recognizing revenue when performance obligations under the terms of the contracts with customers are satisfied.

A significant portion of the Organization's grants and contracts are from government agencies. The benefits received by the public as a result of the assets transferred is not equivalent to commensurate value received by the government agencies and are therefore not considered exchange transactions.

Grants and contracts are analyzed for measurable performance-related barriers or other barriers. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as refundable advances.

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets with donor restrictions and net assets released from restrictions.

Contributed Non-Financial Assets – In-kind contributions are reflected as contributions at their fair value at date of donation and reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used. The Organization recognizes the fair value of contributed services received if such services a) create or enhance nonfinancial assets or b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed. The Organization's policy related to gifts-in-kind is to utilize the assets given to carry out the mission of the Organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the assets will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset.

All gifts-in-kind received by the Organization for the year ended June 30, 2024 were considered without donor restrictions and able to be used by the Organization as determined by the Board of Directors and management.

Operations – The Organization defines operations as all program and supporting service activities undertaken (see Note 1). Revenues that result from these activities, and their related expenses, are reported as operations. Gains, losses and other revenue that result from ancillary activities, such as investing liquid assets and disposing of fixed or other assets, are reported as non-operating.

Income Taxes – Under provisions of Section 501(c)(3) of the Internal Revenue Code and the applicable income tax regulations of the State of Louisiana, Volunteers of America of North Louisiana is exempt from income taxes, except for net income from unrelated business income, as a subordinate unit of Volunteers of America, Inc. Volunteers of America, Inc. is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as a religious organization described in Section 501(c)(3). There were no unrelated business activities in 2024. Accordingly, no tax expense was incurred during the year ended June 30, 2024.

Investments – Investments are recorded at fair value based on quoted market prices. All other investments are reported at historical cost, if purchased, or, if contributed, at fair value on the date contributed. The net realized and unrealized gains (losses) on investments are reflected in the consolidated statement of activities as gains (losses) on investments. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Income and realized and unrealized net gains on investments of endowment and similar funds are reported as follows:

- as increases in net assets with donor restrictions if the terms of the gift require that they be added to the principal of a permanent endowment fund and if the terms of the gift impose restrictions on the use of the income;
- as increases in net assets without donor restrictions in all other cases.

Underwater Endowments – Underwater endowments are donor restricted endowment funds for which the fair value of the fund at the reporting date is less than either the original gift amount or the amount required to be maintained by the donor or by law that extends donor restrictions. The entire balance of the endowment fund is reported in the “with donor restrictions” class of net assets. The Organization had no underwater endowments at June 30, 2024.

Summary Financial Information for 2023 – The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization’s financial statements for the year ended June 30, 2023, from which the summarized information was derived.

Functional Expenses – The costs of providing the various program services and supporting activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs have been allocated among the various functions. The consolidated statement of functional expenses presents the natural classification detail of expense by function. Accordingly, certain costs have been allocated among the community programs, management and general, and fundraising expenses. Certain administrative costs associated with the grant process are not included under grants on the consolidated statement of functional expenses and have been more appropriately reflected under community programs.

Use of 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 the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Concentrations of Credit Risk – Volunteers of America of North Louisiana maintains its cash balances at several different financial institutions and investment companies in its service delivery area. The balances with the financial institutions are insured by the FDIC up to \$250,000 for each bank. As of June 30, 2024, the VOANLA had approximately \$436,201 in uninsured cash deposits. At June 30, 2024, the Organization’s cash balances held in money market investment accounts are insured by SIPC and the investment company’s excess insurance coverage.

Volunteers of America of North Louisiana has the following mix of receivables and revenue from governmental agencies at June 30, 2024:

	<u>Receivable</u>	<u>Revenue</u>
Medicaid	37 %	48 %
U.S. Department of Housing and Urban Development	6 %	12 %
U.S. Department of Veterans Affairs	18 %	18 %
U.S. Department of Education	15 %	5 %
Other Sources	24 %	17 %
Total	<u>100 %</u>	<u>100 %</u>

Fair Value Measurements – FASB ASC 820 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Inputs that reflect management’s best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given both to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such instances, an investment’s level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Recently Adopted Accounting Standards

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which is essentially the final rule on use of the so-called CECL model, or current expected credit losses. Among other things, the amendments in this ASU require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Organizations will now use forward-looking information to better inform their credit loss estimates. Many of the loss estimation techniques applied today will still be permitted, although the inputs to those techniques will change to reflect the full amount of expected credit losses. In addition, the ASU amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration. For non-public entities, the amendments in this ASU are effective for fiscal years beginning after December 15, 2022. The VOANLA adopted the provisions of ASU 2016-13 on July 1, 2023. Adoption of this guidance did not have a material impact on the accompanying consolidated financial statements.

Note 3 Liquidity and Availability

Volunteers of America of North Louisiana’s working capital and cash flows have seasonal variations during the year due to the timing of cash receipts related to grant funding and concentrations of contributions received near calendar year-end and fiscal year-end. To manage liquidity, the Organization maintains a line of credit. The line of credit is drawn upon as needed during the year to manage cash flow. As of the consolidated statement of financial position date, the \$1,000,000 is available in full. See Note 11.

Volunteers of America of North Louisiana’s endowment fund consists of donor-restricted endowments and a board-restricted endowment. Consistent with Article VIII of the By-Laws of the Volunteers of America of North Louisiana Endowment, the board expects to distribute annually up to 5% of the trailing five-year average of year-end fund market value. A distribution of \$129,619 was made in fiscal year 2024, of which \$87,047 was from donor-restricted endowments. In the next 12 months, a distribution of \$137,875 will be available, in accordance with the spending policy. Although Volunteers of America of North Louisiana does not intend to spend from its board-restricted endowment, these funds could be drawn upon if the board of directors approves that action.

The following reflects Volunteers of America of North Louisiana’s financial assets as of the consolidated statement of financial position date, reduced by amounts not available for general use within one year of the consolidated statement of financial position date.

Current assets, excluding nonfinancial assets	\$6,957,695
Add: endowment fund distribution for next fiscal year	137,875
Subtract: board-designated endowment and other reserves	<u>(1,292,713)</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$5,802,857</u>

Note 4 Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes and/or periods:

Funds of perpetual duration, subject to spending policy and appropriation, to support the following purposes:

Strengthening children & families	\$ 1,825,033
Post adoption services	196,633
Greatest need & future support	<u>790,274</u>
	<u>2,811,940</u>

Subject to expenditure for specified purposes:

Children & families supplies & assistance	558,786
Assistance for persons with disabilities	10,009
Employee services	<u>1,178</u>
	<u>569,973</u>

Subject to the passage of time:

Pledge receivables subject to payment after discount to fair market value	<u>2,797,856</u>
	<u>2,797,856</u>
Total net assets with donor restrictions	<u>\$ 6,179,769</u>

Note 5 Board Designated Net Assets

The Organization's governing board has designated net assets included in the "net assets without donor restrictions" for the following purposes:

Board designated endowments & quasi endowments, subject to spending policy and appropriation, to support the following purposes:

Greatest need & future support	\$ 1,172,423
Scholarships & educational support	<u>76,096</u>
Total board-designated net assets	<u>\$ 1,248,519</u>

Note 6 Cash, Cash Equivalents, and Restricted Cash

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated statement of financial position to the amounts presented in the consolidated statement of cash flows. Total designated and restricted assets and other assets per the consolidated statement of position include the respective designated and restricted assets and other assets listed below:

	Beginning of Year	End of Year
Cash and Cash Equivalents	\$4,466,914	\$2,787,662
Designated and Restricted Assets	<u>248,100</u>	<u>479,894</u>
Total	<u>\$4,715,014</u>	<u>\$3,267,556</u>

Note 7 Investments

Investments at June 30, 2024, are summarized as follows:

	Cost	Fair Value	Unrealized Gain (Loss)
Money Market	\$ 1,588,663	\$ 1,588,663	\$ -
Mutual Funds	1,679,440	2,613,463	934,023
Fixed Income	3,921,117	3,940,594	19,477
Annuities	400,000	424,221	24,221
	<u>7,589,220</u>	<u>8,566,941</u>	<u>977,721</u>
Less: Current Investments	<u>(3,245,025)</u>	<u>(3,306,000)</u>	<u>(60,975)</u>
Long-Term Investments (included in designated and restricted assets and long term investments)	<u>\$ 4,344,195</u>	<u>\$ 5,260,941</u>	<u>\$ 916,746</u>

Investment return for the year ended June 30, 2024, is composed of interest and dividends of \$296,601, realized losses of \$459, unrealized gains of \$414,153, and dividends without donor restrictions of \$230,996 paid from Louisiana Workers' Compensation Corporation, and investment fees of \$150. Investment return is included in interest and dividend income and gains (losses) and gains and losses on investments.

Note 8 Fair Value Measurements

The Organization's measurements of fair value are made on a recurring basis and their valuation techniques for assets and liabilities recorded at fair value are as follows:

	Level 1 Quoted Prices in Active Markets for Identical Assets	Level 2 Significant Other Observable Inputs	Level 3 Significant Unobservable Inputs	Total
Pledges Receivables	\$ -	\$ 2,663,897	\$ -	\$ 2,663,897
Investments	\$ 1,225,730	\$ -	\$ -	\$ 1,225,730
Investments (included in designated and restricted assets)	\$ 3,610,989	\$ -	\$ 424,221	\$ 4,035,210

Management determines the fair value measurement valuation policies and procedures, including those for Level 3 recurring and nonrecurring measurements. Management determines if the current valuation techniques used in fair value measurements are still appropriate, and evaluates and adjusts the unobservable inputs used in the fair value measurements based on current market conditions and third-party information.

There were no transfers in or out of Level 3 investments during the year ended June 30, 2024. The table below presents information about recurring fair market measurements that use significant unobservable inputs (Level 3 measurements):

Balance, July 1, 2023	\$ 415,242
Change in unrealized gains for the period	8,979
Balance June 30, 2024	<u>\$ 424,221</u>

Note 9 Accounts Receivable

At June 30, 2024, accounts receivable consisted of the following:

Grants and Contracts Receivable	\$ 2,397,995
Other Accounts Receivable	5,000
Less Allowance for Credit Losses	(113,836)
Total	<u>\$ 2,289,159</u>

Note 10 Debt

Direct subsidy conditional grant in the amount of \$390,000, commencing August 2009, governed by an Affordable Housing Program Agreement for Rental Project with the Federal Home Loan Bank of Dallas with 0% interest. Grant has fifteen year retention period ending August 9, 2024 and will not have to be repaid as long as the Organization complies with the agreement. The agreement is secured by real estate with a net book value of \$1,213,861 as of June 30, 2024.

\$ 390,000

Promissory note payable to the Louisiana Housing Finance Agency in the original amount of \$250,000 with 0% interest rate, payable in annual installments of \$25,000 but not in excess of an amount equal to fifty percent of surplus cash, due on first day of April, commencing April 2010; provided however, that all payments due hereunder shall be payable only out of and to the extent of the surplus cash to be determined by the Agency and after a cash distribution to the Organization of not more than \$10,000. This note matured April 1, 2024, and shall be forgiven on that date if the housing project has been maintained in accordance with the Agency's Affordable Rental Housing Program Regulatory Agreement. The Organization is currently working with the Agency to document loan forgiveness. Note is secured by a continuing security interest in all rights, title and interest acquired or arising out of this note. The note is secured by real estate with a net book value of \$1,213,861 as of June 30, 2024.

250,000

Payment Plan Agreement with Oracle America, Inc. for software services in the amount of \$212,803, initiated May 30, 2023, with no stated interest rate. Monthly payments of \$7,093 are to be made beginning December 1, 2023, with final payment due May 1, 2026.

160,295

Less Current Portion
Long-Term Portion

800,295
(725,121)
\$ 75,174

Interest expense for the year ended June 30, 2024, totaled \$0.

The following is a schedule of the debt maturing in subsequent years ending June 30:

2025	\$ 725,121
2026	<u>75,174</u>
Total	<u>\$ 800,285</u>

Note 11 Line of Credit

Volunteers of America of North Louisiana maintains a line of credit payable to a financial institution, with a maximum credit of \$1,000,000. Interest is based on the prime rate as quoted in the Wall Street Journal (the "Index"), for an initial rate of 8.50%, maturing on January 5, 2025. The line of credit is secured by real estate, accounts receivable, and UCC Collateral. At June 30, 2024, the net book value of the real estate totaled \$129,355.

Note 12 Pledges Receivable

Pledges receivable consists primarily of multi-year unconditional promises to give from various donors. If the pledge contains donor restrictions, those restrictions are recognized when the initial pledge is recorded and as payments are received. Unconditional pledges are recorded at their discounted net present value, less any reserves for uncollectible pledges.

Following is a recap of the Organization's pledges receivable at June 30, 2024.

Gross pledges due in:	
Less than 1 year	\$ 757,379
1 – 5 years	2,597,758
After 5 years	32,932
Total Pledges Receivable	<u>\$ 3,388,069</u>
 Total Pledges Receivable	 \$ 3,388,069
Less: Allowance for uncollectible pledges	(133,959)
Less: Discount, 8.50%	(590,213)
Net Pledges Receivable	2,663,897
Less Current Pledges Receivable	(619,629)
Long-term Pledges Receivable (included in other assets)	<u>\$ 2,044,268</u>

Note 13 Allocation of Functional Expenses

The consolidated financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. The following methods are used for allocation of those expenses.

<u>Elements of Cost</u>	<u>Method of Allocation</u>
Salaries and benefits	Time and effort reporting
Telecommunications	Employee count
Occupancy	Square footage
Property	Square footage
Auto	Usage
Professional Liability	Employee count
General Liability	Client count
Equipment Rental	Usage

Note 14 Pension Plan for Ministers

Volunteers of America of North Louisiana participates in a non-contributory defined benefit pension and retirement plan with the Volunteers of America, Inc. national organization called The Volunteers of America National Pension Plan. The plan's employer identification number is 13-1692595. The plan is a multi-employer plan and is not required to record the unfunded pension liability in its financials. The plan's disclosure information regarding the projected benefit obligation and unfunded status as they relate solely to Volunteers

of America of North Louisiana is not available, which is typical for multi-employer plans. Because this plan is a church plan, and not subject to the Employment Retirement Security Act of 1974 (ERISA), the Organization is not required to file a Form 5500. This unfunded liability is collectively the liability of all participating employers. If there were any cash shortfalls in the plan, the plan would look towards the participating employers to help fund these amounts. The Organization has no plans to withdraw from its multi-employer pension plan.

The financial health of the multi-employer pension plan is indicated by the zone status, as defined by the Pension Protection Act of 2006, which represents the funded status of the plan as certified by the plan's actuary. Because the plan is not subject to ERISA, a funding improvement plan is not required; however, the national organization has voluntarily implemented a contribution assessment. The plan is administered through a commercial insurance company and covers all ministers commissioned through December 31, 1999. Pension plan expense was \$18,380 for the year ended June 30, 2024.

Note 15 Retirement Plan

Volunteers of America of North Louisiana's retirement savings plan is organized under Internal Revenue Code Section 403(b). The plan allows all employees with one year of service to participate. Employees are able to contribute annually up to the statutory limitation, currently \$23,000. The Organization will contribute up to five (5%) percent of gross wages on a dollar for dollar match of employee's contribution. Employees are one hundred (100%) percent vested after three years of service. Contributions made to the plan are at the discretion of the Board of Directors. Retirement plan expense was \$177,383 for the year ended June 30, 2024, under this plan.

Note 16 Related-Party Transactions

Volunteers of America of North Louisiana is affiliated with Volunteers of America, Inc., which provides supporting services to the agency for a fee. Charter services for the fiscal year ended June 30, 2024, totaled \$381,588. The amount due to Volunteers of America, Inc. for charter services as of June 30, 2024, was \$28,045; for Minister's Pension was \$2,103; for 2024 Minister Dues was \$1,381.

Volunteers of America of North Louisiana sponsors and manages four HUD projects: Bossier City VOA Independent Housing, Inc., Shreveport VOA Community Living Center I, Inc., Shreveport VOA Community Living Center II, Inc., and Ruston VOA Living Center, Inc. Management fees charged by the Organization to the HUD projects totaled \$48,653 for the year ended June 30, 2024. In addition to management fees, the Organization paid certain expenses, including salaries, on behalf of the projects; these expenses totaled \$450,870. At June 30, 2024, the projects owed the Organization \$137,547, which is included in other current assets.

Volunteers of America of North Louisiana manages Shreveport VOA Elderly Housing, Inc., a HUD project that is part of the national affiliation of Volunteers of America, Inc. Management fees charged by the Organization to the HUD project totaled \$39,393 for the year ended June 30, 2024. In addition to management fees, the Organization paid certain expenses, including salaries, on behalf of the project; these expenses totaled \$284,960 for the year ended June 30, 2024. At June 30, 2024, the project owed the Organization \$97,586, which is included in other current assets.

Volunteers of America of North Louisiana, in connection with McAdoo Services Corporation, manages the McAdoo property and project to facilitate the development and provision of affordable housing and humanitarian services to qualified individuals in residence. Management fees charged to the McAdoo property totaled \$19,610. In addition, the Organization paid certain expenses, including salaries, on behalf of the property. These expenses totaled \$58,799 for the year ended June 30, 2024. At June 30, 2024, the project owed the Organization \$4,394, which is included in other current assets. The Organization leases office space from the McAdoo property to operate housing programs. Office rent expense totaled \$13,908 for the current year. The Organization also subsidizes rent for clients who lease apartments at the McAdoo property. Rent subsidy expenses paid to McAdoo totaled \$171,020 for the current year, and is included in occupancy expenses in the statement of functional expenses..

Volunteers of America of North Louisiana entered into an agreement to transfer management of the Central Louisiana programs to Volunteers of America of South Central Louisiana effective July 1, 2022, and a transition period beginning April 1, 2022. As part of the transition, there were transactions such as ongoing support including data quality and other costs. At June 30, 2024, Volunteers of America of South Central Louisiana owed the Organization \$5,770.

Note 17 Compensated Absences - Accrued Leave

Employees may accrue up to 160 hours of vacation leave each year. Upon an employee's separation of employment, earned and/or accrued leave will be paid up to a maximum of 160 hours. Employees can also accrue sick leave, but accumulated sick leave is forfeited upon separation of employment.

At June 30, 2024, the approximate amount of accumulated and vested employee leave benefits was \$249,970, which is included in accrued expenses on the consolidated statement of financial position.

Note 18 Accrued Expenses

At June 30, 2024, accrued expenses consisted of the following:

Accrued payroll	\$	274,944
Accrued annual leave payable		249,970
Other accrued expenses		143,280
	\$	<u>668,194</u>

Note 19 Refundable Advances

Volunteers of America of North Louisiana has recorded refundable advances of \$69,300 for the year ended June 30, 2024, for payments received in advance of satisfying conditions stipulated by the donors.

Note 20 Contributions-in-Kind

VOANLA's consolidated financial statements include the following in-kind contribution revenue and associated expense.

Use of facilities	\$ 239,948
Transportation services	40,570
Food	56,632
Educational supplies & books	9,941
Furnishings	11,825
Personal care supplies	<u>13,603</u>
	<u>\$ 372,519</u>

Use of facilities consists of parking for employees at our offices, educational & recreational center usage, and school-based classroom space (including custodial, computers, and internet access) for afterschool tutoring and mentoring to youth. For classroom space, fair market value was estimated by the donor in a memorandum of understanding. If not provided, the fair market value was determined by comparison to other local facilities or vendors.

Transportation services included use of local school buses and drivers during summer to transport students enrolled in our program. Fair market value was based on a cost per trip and estimated by the donor in a memorandum of understanding.

Other donated goods (educational supplies, books, food, furnishings and personal care items such as clothing, hygiene and household items) benefited all our service areas. Fair market value was determined using market rates for similar items.

Other donated services during the fiscal year consisted of local advertising spots. Fair market value was determined using market rates for similar services.

It is VOANLA's policy to sell all contributed vehicles immediately upon receipt at auction or for salvage unless the vehicle is restricted for use by the donor. All vehicles are sold and valued according to the actual cash proceeds upon disposition. No donated vehicles were received during the period.

Note 21 Revenue

In accordance with Topic 606, VOANLA is recognizing revenue at the point of service for disability and behavioral health services for eligible persons, housing development management fees, and other fees for client services. As of June 30, 2024, there was \$0 of performance obligations to be satisfied. Revenue of \$8,284,412 was recognized for the year ended June 30, 2024, that was related to current year performance obligations. The Organization's method of recognizing revenue is the input method for performance obligations to be satisfied at the point of service.

The Organization's remaining revenues from contributions, grants, contracts, fundraisers, and other sources are recognized in accordance with FASB ASC Topic 958, *Not-for-Profit Entities*.

Disaggregated Revenue

A summary of disaggregated revenue information for the year ended June 30, 2024 follows:

Topic 606 revenue	
Medicaid	\$ 6,420,045
Management Fees	107,656
Other	1,756,711
Total revenue recognized at point of service	<u>8,284,412</u>
Revenue not subject to recognition under Topic 606	<u>10,379,361</u>
Total revenue	<u>\$ 18,663,773</u>

Contract Balances

A summary of beginning and ending contract balances is as follows

Receivable from contracts, beginning of year	\$ 721,377
Receivable from contracts, end of year	\$ 949,610

Note 22 Commitments and Contingencies

Conditional Grants

As noted in Note 10, Volunteers of America of North Louisiana has a conditional grant for \$390,000 and a promissory note outstanding for \$250,000 that will not have to be repaid as long as the Organization complies with the stipulated terms of these two agreements. In the event the Organization does not comply, they will be liable to repay these amounts.

Other Grants

Volunteers of America of North Louisiana participates in a number of federally assisted grant programs. These programs are subject to program compliance audits under the Single Audit Act. Such audits could lead to

requests for reimbursement by the grantor agency for expenditures disallowed under the terms of the grants. The Organization's management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Net client service revenue related to Medicaid is reported at the estimated net realizable amounts from third-party payors and others for services rendered. Revenue under third-party payor agreements is subject to audit and retroactive adjustment. Provisions for estimated third-party payor settlements are provided in the period the related services are rendered. Differences between the estimated amounts accrued and interim and final settlements are reported in operations in the year of settlement.

Lease Commitments

The Organization has operating leases for land, office space, equipment and vehicles. These leases have remaining base lease terms of less than 1 to 5 years. The following information for the year ended June 30, 2024 were as follows:

The components of lease expense were as follows:

Operating leases included in occupancy, program supplies and equipment, and travel, conferences and meetings expenses	\$	334,003
Short-term leases included in occupancy, program supplies and equipment, and travel, conferences and meetings expenses		656,503
Total operating lease costs	\$	<u>990,506</u>

Other information related to leases was as follows:

Supplemental Cash Flow Information

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flows from operating leases	\$	311,956
Right-of-use assets obtained in exchange for lease obligations-operating leases	\$	336,878
Weighted average remaining lease term-operating leases		2.72 years
Weighted average discount rate-operating leases		3.30%

Future minimum lease payments under non-cancellable operating leases as of June 30, 2024, were as follows:

2025	\$	236,355
2026		188,109
2027		81,963
2028		10,495
2029		875
Thereafter		-
Total future minimum lease payments		<u>517,797</u>
Less imputed interest	(<u>24,332</u>)
Present value of lease liabilities	\$	<u>493,465</u>

Lease liabilities reported as of June 30, 2024 were as follows:

Current maturities of operating lease liabilities	\$	221,175
Operating lease liabilities, less current maturities		272,290
Total	\$	<u>493,465</u>

Paycheck Protection Program Contingency

In April 2020, VOANLA received a forgivable loan in the amount of \$2,043,200 under the Paycheck Protection Program ("PPP"), pursuant to the CARES Act and administered by the Small Business Administration ("SBA"). In July 2021, VOANLA formally received forgiveness of the PPP loan from the SBA. Loans issued in excess of \$2 million are subject to audit by the SBA. The VOANL may be required to return a portion of the loan proceeds

at the conclusion of the SBA audit. Any proceeds required to be returned will be repaid under the statutory terms of the PPP Program, including interest at 1%. For PPP loans greater than \$150,000, the borrower must retain all records relating to the borrower's PPP loan for six years from the date the loan is forgiven or repaid in full.

Note 23 Endowments

Volunteers of America of North Louisiana has donor restricted funds and non-donor restricted funds established for a variety of purposes. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Organization accounts for donor-restricted funds consistent with the provisions of Uniform Prudent management of Institutional Funds Act ("UPMIFA") as adopted by the State of Louisiana. The Organization seeks to preserve the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. Accordingly, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds:

1. The duration and preservation of the fund.
2. The purposes of the Organization and the donor restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Organization.
7. The investment policies of the Organization.

Return Objectives, Risk Parameters, and Spending Policy

The Organization invests its funds in companies and opportunities whose operational philosophy and management activities are consistent with the overall mission and objectives of the Organization. The primary objective is the long-term growth of the fund's assets. It is recognized that short-term fluctuations may result in the loss of capital earned on occasion. However, in the absence of contributions and withdrawals, the asset value of the funds should grow in the long run and earn rates of return greater than those of an appropriate market index, while avoiding excess risk. The next objective is the preservation of purchasing power. Asset growth, exclusive of contributions and withdrawals, should exceed the rate of inflation. The final objective is to preserve the value of the assets by earning a positive return over the investment time horizon. The Organization has adopted the Total Return Concept to determine dollars available for distribution.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate of return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that is balanced between equity-based investments and fixed income investments to achieve its long-term return objectives within prudent risk constraints.

Funds with Deficits

From time to time, the fair value of assets associated with individual endowment funds may fall below the level that the donor or UPMIFA requires the Organization to maintain as a fund of perpetual duration. Deficiencies of this nature are required to be reported in net assets with donor restrictions. There were no such deficiencies at June 30, 2024.

Composition

Endowment net assets composition by type of fund as of June 30, 2024, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Net Assets
Endowment Funds			
Donor Restricted	\$ -	\$ 2,811,941	\$ 2,811,941
Board Designated	1,248,519	-	1,248,519
Total Endowment Funds	<u>\$ 1,248,519</u>	<u>\$ 2,811,941</u>	<u>\$ 4,060,460</u>

A reconciliation of the beginning and ending balances of endowment funds as of June 30, 2024, is as follows:

Balance, Beginning	\$ 1,116,173	\$ 2,511,204	\$ 3,627,377
Contributions	30,100	57,620	87,720
Investment Income (Loss)	144,818	330,164	474,982
Distributions	(42,572)	(87,047)	(129,619)
Balance, Ending	<u>\$ 1,248,519</u>	<u>\$ 2,811,941</u>	<u>\$ 4,060,460</u>

Note 24 Subsequent Events

Volunteers of America of North Louisiana has evaluated subsequent events through December 16, 2024, the date which the consolidated financial statements were available to be issued.

On October 9, 2024, Volunteers of America of North Louisiana purchased a building for \$290,000 to house veterans services.

Supplementary Information

Volunteers of America of North Louisiana

Shreveport, Louisiana

Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grantor's Number	Total Federal Expenditures	Pass- Through to Subrecipients
U.S. Department of Homeland Security				
<u>Passed through the United Way of Northwest Louisiana</u>				
Emergency Food & Shelter National Board Program - Phase 39	97.024	356400-022 - PHASE 39	\$ 18,700	\$ -
Total Emergency Food & Shelter National Board Program			18,700	-
U.S. Department of Health and Human Services				
<u>Passed through the Northwest Louisiana Human Services District</u>				
Block Grants for Community Mental Health Services - GAPS	93.958	2000782265	156,395	-
Block Grants for Community Mental Health Services - SHOC	93.958	2000788140	53,869	-
COVID-19 Block Grants for Community Mental Health Services - Level Up	93.958	2000782227	299,896	-
Block Grants for Community Mental Health Services - Level Up	93.958	2000782227	54,826	-
			564,986	-
U.S. Department of Education				
<u>Passed through Louisiana Department of Education</u>				
Twenty-First Century Community Learning Center	84.287	2000455916	588,039	-
<u>Direct Awards</u>				
K-12 Congressionally Funded Community Projects	84.215k	S215K230144	214,285	-
U.S. Department of Housing and Urban Development				
<u>Direct Awards</u>				
Continuum of Care Program - GAPS (Congregate)	14.267	LA0039L6H022115	226,380	-
Continuum of Care Program - SHOC (Scattered)	14.267	LA0046L6H022315	643,304	-
Continuum of Care Program - SHOC (Scattered)	14.267	LA0046L6H022316	46,614	-
Continuum of Care Program - Level Up	14.267	LA0340L6H022102	107,555	-
Continuum of Care Program - Level Up	14.267	LA0340L6H022203	215,605	-
Total Continuum of Care Program			1,239,458	-
CDBG - Entitlement Grants Cluster				
<u>Passed through City of Bossier City, Louisiana</u>				
COVID-19 Community Development Block Grant	14.218	2022-CDBG-CV3-010	27,080	-
Community Development Block Grants - Lighthouse Bossier	14.218	B-23-MC-23-0009	10,235	-
Total CDBG - Entitlement Grants Cluster			37,315	-
Hope VI Cluster				
<u>Passed through City of Shreveport, Louisiana</u>				
Choice Neighborhoods Implementation Grants	14.889	2020-00001167	483,376	201,202
Total Hope VI Cluster			483,376	201,202
U.S. Department of Labor				
WIOA Cluster				
<u>Passed through City of Shreveport, Louisiana</u>				
Workforce Innovation and Opportunity Act Youth academic Preparation	17.259	K2301	88,750	-
Total WIOA Cluster			88,750	-
U.S. Department of Veteran Affairs				
<u>Direct Awards</u>				
VA Homeless Providers Grant and Per Diem Program - Transitional Housing	64.024	VOAA820-1464-667-PD-21	137,944	-
VA Homeless Providers Grant and Per Diem Program - Transitional Housing	64.024	VOAA820-1464-667-PD-24	480,943	-
Total VA Homeless Providers Grant and Per Diem Program			618,887	-
<u>Passed through the Volunteers of America Southeast Louisiana, Inc.</u>				
VA Supportive Services for Veteran Families Program - Shallow Subsidy	64.033	12-LA-038	232,537	-
VA Supportive Services for Veteran Families Program - VASH	64.033	12-LA-038	72,520	-
VA Supportive Services for Veteran Families Program	64.033	12-LA-038	763,841	-
Total VA Supportive Services for Veteran Families			1,068,898	-
Total expenditures of federal awards			\$ 4,922,694	\$ 201,202

**Volunteers of America of North Louisiana
Shreveport, Louisiana**

Notes to the Schedule of Expenditures of Federal Awards
June 30, 2024

Note 1 Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Volunteers of America of North Louisiana under programs of the federal government for the year ended June 30, 2024. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the organization, it is not intended to and does not present the financial position or changes in net assets of Volunteers of America of North Louisiana.

Note 2 Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. Volunteers of America of North Louisiana has elected not to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

Note 3 Matching Requirements

Certain federal programs require Volunteers of America of North Louisiana to contribute non-federal funds (matching funds) to support the federally funded programs. The Organization has met its matching requirements. The Schedule does not include the expenditure of non-federal funds.

Note 4 Subrecipients

Volunteers of America of North Louisiana provided \$201,202 in federal funds to subrecipients during the year ended June 30, 2024.

Note 5 Loans

Volunteers of America of North Louisiana did not expend federal awards related to loans or loan guarantees during the year ended June 30, 2024.

Note 6 Non-Cash Awards

Volunteers of America of North Louisiana did not expend federal awards related to non-cash awards during the year ended June 30, 2024.

Volunteers of America of North Louisiana
Shreveport, Louisiana

**Schedule of Compensation, Benefits and Other Payments to Agency Head
or Chief Executive Officer
For the Year Ended June 30, 2024**

Agency Head Name: Carolyn Hammond

Purpose	Amount
Salary	\$ 143,000
Benefits-insurance	29,590
Benefits-retirement	8,000
Reimbursements	11,434
Travel	6,400
Benefits - life insurance	456
Housing	17,000
Other (including payments made by other parties on behalf of the agency head)	1,262



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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
Volunteers of America of North Louisiana
Shreveport, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Volunteers of America of North Louisiana (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2024, 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 December 16, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Volunteers of America of North Louisiana's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Volunteers of America of North Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of Volunteers of America of North Louisiana'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 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Volunteers of America of North Louisiana's 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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



CARR, RIGGS & INGRAM, L.L.C.

Shreveport, Louisiana
December 16, 2024



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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
Volunteers of America of North Louisiana
Shreveport, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Volunteers of America of North Louisiana's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Volunteers of America of North Louisiana's major federal programs for the year ended June 30, 2024. Volunteers of America of North Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Volunteers of America of North Louisiana 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 June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Volunteers of America of North Louisiana and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Volunteers of America of North Louisiana's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of

laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Volunteers of America of North Louisiana's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Volunteers of America of North Louisiana's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Volunteers of America of North Louisiana's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Volunteers of America of North Louisiana's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies

in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Shreveport, Louisiana
December 16, 2024

**Volunteers of America of North Louisiana
Shreveport, Louisiana**

Schedule of Findings and Questioned Costs
June 30, 2024

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Compliance and internal control over financial reporting:	
Significant deficiency(ies) identified?	None reported
Material weakness(es) identified?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Significant deficiency(ies) identified?	None reported
Material weakness(es) identified?	No
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200.516(a)?	None

Identification of major programs:

Assistance Listing Number	Name of Program or Cluster
64.033	VA Supportive Services for Veteran Families Program

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
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Auditee qualified as low-risk auditee?	Yes
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Section II – Financial Statement Findings Reported in Accordance with *Governmental Auditing Standards*

None

Section III – Federal Award Findings and Questioned Costs

None

Prior Year Audit Findings

None



Volunteers of America of North Louisiana

STATEWIDE AGREED-UPON PROCEDURES REPORT

June 30, 2024





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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of the Volunteers of America of North Louisiana
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2023 through June 30, 2024. Volunteers of America of North Louisiana's (VOANL's) management is responsible for those C/C areas identified in the SAUPs.

VOANL has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2023 through June 30, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated results are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

- a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

Results: No exceptions were identified as a result of applying this procedure.

- b) ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase

orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.

Results: No exceptions were identified as a result of applying this procedure.

- c) **Disbursements**, including processing, reviewing, and approving.

Results: No exceptions were identified as a result of applying this procedure.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Results: No exceptions were identified as a result of applying this procedure.

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

Results: No exceptions were identified as a result of applying this procedure.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Results: No exceptions were identified as a result of applying this procedure.

- g) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Results: No exceptions were identified as a result of applying this procedure.

- h) **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Results: Written policies do not address required approvers of statements or monitoring card usage.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Results: This procedure is not applicable to VOANL as a nonprofit.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: This procedure is not applicable to VOANL as a nonprofit.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Results: No exceptions were identified as a result of applying this procedure.

- l) **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: This procedure is not applicable to VOANL as a nonprofit.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Results: No exceptions were identified as a result of applying this procedure.

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

Results: No exceptions were identified as a result of applying this procedure.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Results: This procedure is not applicable as VOANL is not a governmental entity.

- d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results: This procedure is not applicable as there was no prior year audit findings.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Results: No exceptions were identified as a result of applying this procedure.

- b) Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and

Results: No exceptions were identified as a result of applying this procedure.

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: No exceptions were identified as a result of applying this procedure.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Results: CRI obtained a listing of deposits sites and management's representation that the listing was complete.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that

- a) Employees responsible for cash collections do not share cash drawers/registers;

Results: No exceptions were identified as a result of applying this procedure.

- b) Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;

Results: No exceptions were identified as a result of applying this procedure.

- c) Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

Results: No exceptions were identified as a result of applying this procedure.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

Results: No exceptions were identified as a result of applying this procedure.

- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

Results: No exceptions were identified as a result of applying this procedure.

- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3 (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and

- a) Observe that receipts are sequentially pre-numbered.

Results: The receipts selected for this procedure were not sequentially pre-numbered.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Results: As described above, receipts were not sequentially pre-numbered; however, CRI traced receipt documentation to the related deposit slips without exception.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

Results: No exceptions were identified as a result of applying this procedure.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

Results: No exceptions were identified as a result of applying this procedure.

- e) Trace the actual deposit per the bank statement to the general ledger.

Results: No exceptions were identified as a result of applying this procedure.

Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Results: CRI obtained a listing of locations that process payments and management's representation that the listing was complete.

- 9. For each location selected under procedure #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

Results: No exceptions were identified as a result of applying this procedure.

- b) At least two employees are involved in processing and approving payments to vendors;

Results: No exceptions were identified as a result of applying this procedure.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

Results: No exceptions were identified as a result of applying this procedure.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

Results: No exceptions were identified as a result of applying this procedure.

- e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Results: No exceptions were identified as a result of applying this procedure.

- 10. For each location selected under procedure #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain

management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and

- a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and

Results: No exceptions were identified as a result of applying this procedure.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #9 above, as applicable.

Results: No exceptions were identified as a result of applying this procedure.

11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. *Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.*

Results: No exceptions were identified as a result of applying this procedure.

Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Results: CRI obtained a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards for the fiscal period and management's representation that the listing is complete.

13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and

Results: No exceptions were identified as a result of applying this procedure.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

Results: No exceptions were identified as a result of applying this procedure.

- 14. Using the monthly statements or combined statements selected under procedure #13 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Results: No exceptions were identified as a result of applying this procedure.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- 15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected

- a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

Results: No exceptions were identified as a result of applying this procedure.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

Results: No exceptions were identified as a result of applying this procedure.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1g; and

Results: No exceptions were identified as a result of applying this procedure.

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: Five exceptions were identified where there was no evidence of review and approval of the reimbursement.

Contracts

16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

Results: This procedure is not applicable to VOANL as a nonprofit.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);

Results: The contracts selected for this procedure did not require approval by the governing board, as such, this procedure is not applicable.

- c) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

Results: No exceptions were identified as a result of applying this procedure.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results: No exceptions were identified as a result of applying this procedure.

Payroll and Personnel

17. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results: No exceptions were identified as a result of applying this procedure.

18. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #17 above, obtain attendance records and leave documentation for the pay period, and

- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

Results: No exceptions were identified as a result of applying this procedure.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials;

Results: No exceptions were identified as a result of applying this procedure.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

Results: No exceptions were identified as a result of applying this procedure.

- d) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

Results: No exceptions were identified as a result of applying this procedure.

- 19. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

Results: No exceptions were identified as a result of applying this procedure.

- 20. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results: No exceptions were identified as a result of applying this procedure.

Ethics

- 21. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17 obtain ethics documentation from management, and

- a) Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

Results: This procedure is not applicable to VOANL as a nonprofit.

- b) Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Results: This procedure is not applicable to VOANL as a nonprofit.

- 22. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Results: This procedure is not applicable to VOANL as a nonprofit.

Debt Service

23. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

Results: This procedure is not applicable to VOANL as a nonprofit.

24. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Results: This procedure is not applicable to VOANL as a nonprofit.

Fraud Notice

25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

Results: Management represented that no misappropriations of public funds or assets occurred during the fiscal period.

26. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results: No exceptions were identified as a result of applying this procedure.

Information Technology Disaster Recovery/Business Continuity

27. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

Results: We performed the procedure and discussed the results with management.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel

responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

Results: We performed the procedure and discussed the results with management.

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Results: We performed the procedure and discussed the results with management.

28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #19. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Results: No exceptions were identified as a result of applying this procedure.

29. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

Results: This procedure is not applicable to VOANL as a nonprofit.

Prevention of Sexual Harassment

30. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

Results: This procedure is not applicable to VOANL as a nonprofit.

31. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

Results: This procedure is not applicable to VOANL as a nonprofit.

32. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

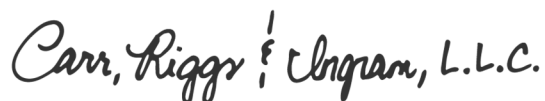
- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

Results: This procedure is not applicable to VOANL as a nonprofit.

We were engaged by Volunteers of America of North Louisiana to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Volunteers of America of North Louisiana and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



CARR, RIGGS, & INGRAM, L.L.C.

Shreveport, Louisiana

December 16, 2024



A Ministry of Service

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December 16, 2024

Carolyn Hammond
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and

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Re: Management Response to Statewide Agreed-Upon Procedures

The Volunteers of America of North Louisiana Management Team has reviewed the Independent Accountant's Report on Applying Agreed-Upon Procedures. The Management Team is in agreement with the report as provided by Carr, Riggs & Ingram, LLC. In addition, Volunteers of America of North Louisiana has implemented changes or additions to policy or procedures where necessary and cost-beneficial to meet the expectations identified in the report.

Respectfully,

A handwritten signature in blue ink, appearing to read "Jennifer Trowbridge".

Jennifer Trowbridge
Chief Financial Officer

Board of Directors

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