



LOUISIANA RURAL AMBULANCE ALLIANCE

(A NOT FOR PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

DECEMBER 31, 2021



LOUISIANA RURAL AMBULANCE ALLIANCE

(A NOT FOR PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

DECEMBER 31, 2021

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Louisiana Rural Ambulance Alliance
St. Gabriel, Louisiana

We have reviewed the accompanying financial statements of the Louisiana Rural Ambulance Alliance (a non-profit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountants' Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, and the standards applicable to review engagements contained in *Government Auditing Standards* issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Louisiana Rural Ambulance Alliance and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

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



Report on Supplementary Information

The accompanying schedule of compensation, benefits and other payments to chief executive officer on page 16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information, and, accordingly, do not express an opinion on such information.

Postlethwaite & Netterville

Donaldsonville, Louisiana
June 28, 2022

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 3,094,083	\$ 912,146
Accounts receivable	7,665,124	14,849,288
Due from government agencies	100,610	113,447
Due from related party	-	15,664
Prepaid expenses	39,679	29,421
Investments	790,906	718,977
Buildings and equipment, net	2,394,729	877,046
Construction in progress	42,865	125,846
	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 14,127,996</u>	<u>\$ 17,641,835</u>
 <u>LIABILITIES</u>		
Accounts payable	\$ 7,747,872	\$ 13,002,809
Retainage payable	45,697	-
Due to related party	65,024	-
	<u> </u>	<u> </u>
TOTAL LIABILITIES	7,858,593	13,002,809
 <u>NET ASSETS</u>		
Without donor restrictions	<u>6,269,403</u>	<u>4,639,026</u>
	<u> </u>	<u> </u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 14,127,996</u>	<u>\$ 17,641,835</u>

See accompanying notes and independent accountants' review report.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2021 AND 2020

	Without Donor Restrictions	
	2021	2020
<u>REVENUES AND OTHER SUPPORT</u>		
Public support:		
Grants with government agencies	\$ 365,401	\$ 226,669
Contributions	300,000	-
Other revenue:		
Service fee - Surge contract	10,348,503	21,822,578
Service fee - HHS asset maintenance contract	219,690	201,750
Service fee - HHS COVID supplemental contract	484,000	-
Educational events and training	25,423	24,256
Investment earnings, net	81,366	63,293
Gain (loss) on sale and disposal of assets	1,000	(4,500)
Miscellaneous	5,244	18,846
Total revenues and other support	11,830,627	22,352,892
 <u>EXPENSES</u>		
Program services:		
Emergency response	9,310,399	19,283,021
Member services	745,142	460,119
Total program services	10,055,541	19,743,140
Support services	144,709	109,744
Total expenses	10,200,250	19,852,884
Change in net assets	1,630,377	2,500,008
Net assets at beginning of year	4,639,026	2,139,018
Net assets at end of year	\$ 6,269,403	\$ 4,639,026

See accompanying notes and independent accountants' review report.

LOUISIANA RURAL AMBULANCE ALLIANCE

(A NOT FOR PROFIT ORGANIZATION)

STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021				
	Program Services			Support Services	
	Emergency Response	Member Services	Total	General and Administrative	Total Expenses
Committees and memberships	\$ -	\$ 912	\$ 912	\$ 110	\$ 1,022
Contract services	9,146,605	348,892	9,495,497	-	9,495,497
Depreciation of buildings and equipment	-	83,295	83,295	29,963	113,258
Insurance	-	-	-	76,048	76,048
Meals	-	-	-	7,272	7,272
Miscellaneous	-	31,715	31,715	186	31,901
Professional services	102,724	111,662	214,386	11,621	226,007
Repairs and maintenance	-	35,462	35,462	1,380	36,842
Service charges	-	-	-	375	375
Supplies	56,124	107,507	163,631	4,224	167,855
Travel and lodging	4,946	25,697	30,643	-	30,643
Utilities	-	-	-	13,530	13,530
Total Expenses	<u>\$ 9,310,399</u>	<u>\$ 745,142</u>	<u>\$ 10,055,541</u>	<u>\$ 144,709</u>	<u>\$ 10,200,250</u>

	2020				
	Program Services			Support Services	
	Emergency Response	Member Services	Total	General and Administrative	Total Expenses
Committees and memberships	\$ -	\$ 3,666	\$ 3,666	\$ 110	\$ 3,776
Contract services	19,255,003	188,254	19,443,257	-	19,443,257
Depreciation of buildings and equipment	-	31,126	31,126	24,021	55,147
Insurance	-	-	-	71,271	71,271
Meals	-	-	-	835	835
Miscellaneous	-	20,376	20,376	804	21,180
Professional services	5,287	88,783	94,070	1,570	95,640
Repairs and maintenance	-	9,013	9,013	1,272	10,285
Service charges	-	-	-	375	375
Supplies	19,478	113,208	132,686	2,903	135,589
Travel and lodging	3,253	5,693	8,946	-	8,946
Utilities	-	-	-	6,583	6,583
Total Expenses	<u>\$ 19,283,021</u>	<u>\$ 460,119</u>	<u>\$ 19,743,140</u>	<u>\$ 109,744</u>	<u>\$ 19,852,884</u>

See accompanying notes and independent accountants' review report.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$ 1,630,377	\$ 2,500,008
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	113,258	55,147
(Gain) Loss on sale and disposal of assets	(1,000)	4,500
Net realized gain on investments	(20,972)	(537)
Unrealized gain on investments	(60,956)	(56,801)
(Increase) decrease in accounts receivable and due from governmental agencies	7,197,001	(14,055,542)
(Increase) decrease in prepaids	(10,258)	11,532
Increase in due to related parties	80,688	-
Increase (decrease) in accounts and retainage payable	(5,209,240)	12,299,831
Net cash provided by operating activities	<u>3,718,898</u>	<u>758,138</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchases of buildings and equipment	(1,547,960)	(154,526)
Proceeds from sale of equipment	1,000	5,000
Purchases of investments	(177,950)	(267,582)
Proceeds from sales of investments	187,949	223,278
Net cash used in investing activities	<u>(1,536,961)</u>	<u>(193,830)</u>
Net increase in cash and cash equivalents	2,181,937	564,308
Cash and cash equivalents at beginning of year	<u>912,146</u>	<u>347,838</u>
Cash and cash equivalents at end of year	<u>\$ 3,094,083</u>	<u>\$ 912,146</u>

See accompanying notes and independent accountants' review report.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

1. **Summary of Significant Accounting Policies**

Nature of Activities

The Louisiana Rural Ambulance Alliance (the Alliance) is a non-profit organization that was formed on September 8, 1995, to promote the ambulance industry in the State of Louisiana. To accomplish this purpose, the Alliance engages in educational and legislative activities on behalf of its members. In addition to the promotion of the ambulance industry, the Alliance also assists the Bureau of Emergency Medical Services of the State of Louisiana in emergency response for declared emergencies.

Program Services

Emergency Response

The Alliance provides ambulatory services in the event of declared emergencies. Included in the ambulance services are staffing and operational support to the Bureau of Emergency Medical Services.

Member Services

The Alliance provides education, training, and legislative services to the members of the Louisiana Ambulance Association.

Support Services

General and Administrative

The support service category includes the functions necessary to secure proper administrative functioning of the Alliance's governing board, maintain an adequate working environment, and manage financial responsibilities of the Alliance.

Basis of Accounting

The Alliance prepares its financial statements on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

To ensure proper usage of restricted and unrestricted assets, the Alliance maintains its accounts according to accounting principles generally accepted in the United States of America, whereby funds are classified in accordance with specified restrictions or objectives.

Cash and Cash Equivalents

The Alliance considers all cash accounts and money markets funds with a maturity of three months or less when purchased to be cash and cash equivalents.

Accounts Receivable

Management considers accounts receivable that are more than 180 days old based on the invoice date to be uncollectible. There is no interest charged on past due accounts. No reserve for uncollectible accounts has been established. Management has determined that all receivables as of each year-end are collectible.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

1. **Summary of Significant Accounting Policies** (continued)

Due from Government Agencies

Due from government agencies consists of unremitted reimbursements of expenses from government agencies that are based upon individual grant requirements. Management has determined that all amounts due from government agencies as of each year-end are collectible.

Investments

Investments in marketable securities with readily determinable fair values are valued at their fair values in the statements of financial position. Investment expenses, such as investment advisory fees, are netted against investment income (loss) in the statements of activities and changes in net assets.

Buildings and Equipment

The Alliance capitalizes buildings and equipment over \$1,500. Lesser amounts are expensed. Buildings and equipment are recorded at cost and are being depreciated using the straight-line methods over their estimated useful lives as follows:

Buildings	30 - 40 years
Other equipment	5 - 10 years

Net Assets

Net assets without donor restrictions are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes.

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed time and/or purpose restrictions.

The Alliance reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities and changes in net assets as net assets released from restrictions.

The Alliance did not receive or have any net assets with donor restrictions during the years ended December 31, 2021 or 2020.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

1. **Summary of Significant Accounting Policies** (continued)

Revenue Recognition

The majority of the Alliance's revenue is derived from grants with government agencies and service fees.

Grants are non-exchange transactions that benefit the general public.

The service fee revenue under the Surge contract is earned over time based upon contractually determined hourly rates associated with emergency transportation management services and supply of ambulances including ALS, BLS, and fixed wing air. The contract for these services is initiated upon the written notification of a declaration of a state of emergency by the State Health Officer or his designee of the State of Louisiana. On a contingency basis, the Alliance provides support to the Emergency Medical Services – Tactical Operations Center. These services are billed on a monthly basis after the services are provided.

The service fee revenue under the HHS asset maintenance contract is earned over time as the asset management services are provided. These services are billed quarterly after the services are provided.

The service fee revenue under the HHS COVID supplemental contract is earned at a point in time when the assets are purchased.

Contributions of noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. The Alliance did not recognize any contributed services during the years ended December 31, 2021 and 2020.

Expenses

Expenses are recognized by the Alliance on an accrual basis. Costs paid in advance and not yet incurred are recorded as prepaid until the applicable period.

Expenses are charged directly to programs in categories based on specific identification. Indirect expenses, if any, are allocated based on amounts approved by the respective contracts.

Functional Allocation of Expenses

The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. No allocation of general and administrative costs has been made to program services.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

1. **Summary of Significant Accounting Policies** (continued)

Use of Estimates

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

Income Taxes

The Alliance accounts for income taxes in accordance with the income tax accounting guidance included in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

The Alliance is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Therefore, the Alliance has not recorded a provision for income taxes in the accompanying financial statements.

Management has evaluated the Alliance's tax positions and concluded that the Alliance has taken no uncertain tax positions that require adjustment to or disclosure in the financial statements to comply with the provisions of the accounting guidance for income taxes.

Current Accounting Standard Scheduled to be Implemented

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). This accounting standard requires that a lessee recognize the assets and liabilities that arise from leases classified as finance or operating. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For leases with a term of twelve months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. The updated guidance is effective for annual periods beginning after December 15, 2021. The Alliance is currently assessing the impact of this pronouncement on its financial statements.

2. **Cash and Cash Equivalents**

At December 31, 2021 and 2020 the carrying amounts of the Alliance's deposits were \$3,094,083 and \$912,146, respectively. These deposits are at cost, which approximates market.

3. **Concentrations of Credit Risk**

At various times throughout the year, the carrying value of the Alliance's deposits were in excess of FDIC insurance. Management believes that the risk of default is minimal.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

4. **Buildings and Equipment**

Buildings and equipment at December 31, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Building	\$ 1,838,401	\$ 724,224
Furniture and equipment	<u>1,686,833</u>	<u>1,206,294</u>
	3,525,234	1,930,518
Less: Accumulated depreciation	<u>(1,130,505)</u>	<u>(1,053,472)</u>
Buildings and equipment, net	<u>\$ 2,394,729</u>	<u>\$ 877,046</u>

Depreciation expense was \$113,258 and \$55,147 for the years ended December 31, 2021 and 2020, respectively.

5. **Grants with Government Agencies**

Grants and contracts with government agencies for the years ended December 31, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Department of Health and Hospitals – DPS - TRCC	\$ 66,024	\$ 112,637
Department of Health and Hospitals – Opioid Response	<u>299,377</u>	<u>114,032</u>
Total	<u>\$ 365,401</u>	<u>\$ 226,669</u>

6. **Service Fees**

The Alliance has a contract with the State of Louisiana to provide ambulance services as needed in the event of declared emergencies. Included in the ambulance services are staffing and operational support to the Bureau of Emergency Medical Services. The Alliance requests reimbursement from the State of Louisiana at the contracted hourly rate for the respective ambulance services. These reimbursements have been reported in the statements of activities and changes in net assets as service fees. The number of hours billed each year can vary greatly depending upon the severity of the declared emergency.

The Alliance has a contract with the Louisiana Hospital Association Research and Education Foundation to provide oversight of Hospital Preparedness Program funded assets, maintain and monitor equipment, and educate EMS providers as to the assets available and request process to obtain those assets. The Alliance requests reimbursement from the State of Louisiana quarterly for the respective services. These reimbursements have been reported in the statements of activities and changes in net assets as service fees.

The Alliance has a contract with the Louisiana Hospital Association Research and Education Foundation to procure a fleet of resources to support EMS agencies across the state in maintaining operational readiness. The Alliance requests reimbursement from the State of Louisiana for the respective purchases. These reimbursements have been reported in the statements of activities and changes in net assets as service fees.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

6. **Service Fees** (continued)

The amounts due to the Alliance under these contracts are included in the statement of net position as accounts receivable and are as follows:

	<u>2021</u>	<u>2020</u>
Service fee – Surge contract	\$ 7,595,990	\$ 14,807,844
Service fee – HHS asset maintenance contract	69,134	41,444
Total	<u>\$ 7,665,124</u>	<u>\$ 14,849,288</u>

7. **Due from Government Agencies**

The following represents the amounts due from government agencies at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Department of Health and Hospitals – DPS - TRCC	\$ 66,024	\$ 113,447
Department of Health and Hospitals – Opioid Response	34,586	-
Total	<u>\$ 100,610</u>	<u>\$ 113,447</u>

8. **Investments and Fair Value of Financial Instruments**

In accordance with the Fair Value Measurements and Disclosure topic of the FASB ASC, disclosure of fair value information about financial instruments is required. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instruments. Therefore, the aggregate fair value amounts presented do not represent the underlying value of the Alliance.

The fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

8. **Investments and Fair Value of Financial Instruments** (continued)

In accordance with this guidance, the Alliance groups its financial assets and financial liabilities generally measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

- Level 1 – Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.
- Level 2 – Valuation is based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.
- Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following method and assumption were used by the Alliance in estimating its fair value disclosures:

Equity and Fixed Income Securities Funds

Securities are classified within Level 1 where quoted market prices are available in an active market. Inputs include securities that have quoted prices in active markets for identical assets. If quoted market prices are unavailable, fair value is estimated using pricing models or quoted prices of securities with similar characteristics, at which point the securities would be classified within Level 2 of the hierarchy.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

8. **Investments and Fair Values of Financial Instruments** (continued)

The following table presents for each fair value hierarchy level, the Alliance's financial assets that are measured at fair value on a recurring basis:

	December 31, 2021	December 31, 2020
	Level 1	Level 1
Equity Securities:		
Technology	\$ 84,418	\$ 59,692
Healthcare	63,964	43,906
Basic Materials	6,156	4,957
Communications	38,009	33,505
Consumer	60,216	55,976
Industrial	27,483	40,348
Infrastructure	20,059	14,288
Energy	10,442	6,737
Mid Cap	33,276	31,733
Large Cap	-	29,950
Small Blend	6,790	8,446
Staffing & Employment Services	10,148	-
Foreign Large Growth	53,902	28,271
Real Estate	6,142	19,403
Financial Services	36,448	27,693
Utilities	12,536	10,659
World Allocation	48,738	-
Other	12,498	13,017
Fixed Income Securities:		
Intermediate Core Bond Fund	259,681	290,396
	\$ 790,906	\$ 718,977

9. **Availability and Liquidity Management**

The Alliance maintains a policy of structuring its financial assets to be available as its general expenses, liabilities, and other obligations as they come due. To help manage unanticipated liquidity needs, the Alliance has equity investments that are readily available to be sold.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

9. Availability and Liquidity Management (continued)

The following table reflects the Alliance's financial assets as of December 31, 2021, and 2020, reduced by amounts that are not available to meet general obligations within one year of the statement of financial position date because of contractual restrictions. There were no net assets with donor restrictions at December 31, 2021, and 2020.

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 3,094,083	\$ 912,146
Accounts receivable	7,665,124	14,849,288
Due from related parties	-	15,664
Due from government agencies	100,610	113,447
Investments	<u>790,906</u>	<u>718,977</u>
Financial assets available to meet cash needs for general expenses within one year	<u>\$ 11,650,723</u>	<u>\$ 16,609,522</u>

10. Related Party Transactions

The Alliance has contracted with In the Know Publications, LLC and the Louisiana Ambulance Alliance to provide comprehensive association management services to the Alliance. In the Know Publications, LLC is owned by the Chief Executive Officer of the Alliance. The Louisiana Ambulance Alliance is governed by the same board of directors as the Alliance.

Payments were made to In the Know Publications, LLC for contract services and reimbursements of business expenses during the years ended December 31, 2021 and 2020. For the years ended December 31, 2021 and 2020, payments to In the Know Publications, LLC amounted to \$193,451 and \$232,268, respectively.

Payments were made to the Louisiana Ambulance Alliance for contract services and reimbursements of business expenses during the year ended December 31, 2021. Payments to Louisiana Ambulance Alliance amounted to \$181,864 for the year ended December 31, 2021. The Louisiana Ambulance Alliance also made a donation in the amount of \$300,000 to the Alliance during the year ended December 31, 2021. This donation was for operating purposes and was unrestricted. There were no payments made to the Louisiana Ambulance Alliance or reimbursement of business expenses for the year ended December 31, 2020.

The Alliance had an outstanding balance to the Louisiana Ambulance Alliance of \$65,024 as of December 31, 2021. The Alliance was owed \$15,664 from the Louisiana Ambulance Alliance as of December 31, 2020. These amounts are included in the statements of financial position as amounts due to and from related party.

11. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 28, 2022, and determined that no additional disclosures were necessary. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)
SCHEDULE OF COMPENSATION, BENEFITS
AND OTHER PAYMENTS TO CHIEF EXECUTIVE OFFICER
YEAR ENDED DECEMBER 31, 2021

Chief Executive Officer: Donna Newchurch Landry

Purpose

Amounts paid directly to the CEO

Salary	\$	-
Benefits		-
Contract Services		-
Travel		-
Reimbursements		52
	<u>\$</u>	<u>52</u>

Amounts paid to In the Know Publications, LLC, wholly owned by the CEO

Salary	\$	-
Benefits		-
Contract Services		171,919
Travel		-
Reimbursements		21,532
	<u>\$</u>	<u>193,451</u>

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Louisiana Rural Ambulance Alliance
Napoleonville, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of the Louisiana Rural Ambulance Alliance (the Alliance), a not-for-profit organization, and the Louisiana Legislative Auditor, on the Alliance's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2021, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. Management of the Alliance is responsible for its financial records and compliance with applicable laws and regulations.

The Alliance 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 Alliance's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the year ended December 31, 2021. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. The 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 findings are as follows:

Federal, State, and Local Awards

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

The Alliance provided us with the following list of expenditures made for federal grant awards received that were passed through the state during the fiscal year ended December 31, 2021:

Federal, State, or Local Grant Name	Grant Year	Assistance listing no. (if applicable)	Amount
Rural Communities Opioid Response	7/1/2020 – 6/30/2023	93.912	\$ 299,377
EMS Data Implementation Project	10/1/2019 – 9/30/2021	20.616	66,024
Total Expenditures			\$ 365,401

The Alliance represented that they received no direct state or local government grant awards during the fiscal year ended December 31, 2021.

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

We selected disbursements from each grant administered during the fiscal year, according to the procedure above.

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

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

4. Report whether the selected disbursements were coded to the correct fund and general ledger account.
The Alliance only has one fund. All of the disbursements were coded to the correct fund and general ledger account.

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

Each of the selected disbursements were approved in accordance with the Alliance's policies and procedures.

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

Activities allowed or unallowed

Each of the selected disbursements were compared to the grant agreement and compliance supplement, if applicable, noting program compliance related to activities allowed or unallowed.

Eligibility

Each of the selected disbursements were compared to the grant agreement and compliance supplement, if applicable, noting program compliance related to eligibility.

Reporting

Each of the selected disbursements were compared to the grant agreement and compliance supplement, if applicable, noting program compliance related to reporting.

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

The Alliance represented that there were no close-out reports required during the fiscal year ended December 31, 2021.

Open Meetings

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

The Alliance is only required to post a notice of each meeting and the accompanying agenda on the door of the Alliance's office building. Although management has asserted that such documents were properly posted, no evidence was provided to support management's assertion other than an unmarked copy of the notices and agenda.

Budget

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

The Alliance must submit an annual budget to each of the grantors in order to receive the grant funds. An annual budget was submitted for each grant as required.

State Audit Law

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

The Alliance's report will be submitted to the Legislative Auditor before the due date of June 30, 2022.

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

The Alliance's management represented that the Alliance did not enter into any contracts during the year that were subject to the public bid law.

Prior-Year Comments

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

The prior year management letter and oral comments regarding classification of expenditures and reconciliation of grant revenue and expenditures were repeated in the current year. Management has asserted the Alliance is working on implementing prior year recommendations.

We were engaged by the Alliance 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 the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. 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 the Agency's compliance with the foregoing matters. 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 the agency 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 the Alliance's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Postlethwaite & Netterville

Donaldsonville, Louisiana
June 28, 2022

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

5/31/2022 (Date Transmitted)

Postlethwaite & Netteville (CPA Firm Name)

215 St. Patrick Street (CPA Firm Address)

Donaldsonville, LA 70346 (City, State Zip)

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

Federal, State, and Local Awards

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

Open Meetings

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

Yes [] No [] N/A []

Budget

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

Yes [] No [] N/A []

Reporting

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

Yes [] No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

Prior-Year Comments

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

Yes No [] N/A []

General

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

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

Yes [] No [] N/A []

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

Brady Daigle	Secretary	6/02/2022	Date
Tracy Wold	Treasurer	5/31/22	Date
Jeff Watson	President	5/31/2022	Date

Signature: Jeff Watson
Jeff Watson (May 31, 2022 13:36 CDT)
Email: jeff.watson@bossierfire.com

Signature: Tracy Wold
Tracy Wold (May 31, 2022 21:15 CDT)
Email: tracy@itgstrategies.com

Signature: Brady Daigle
Brady Daigle (Jun 2, 2022 13:17 CDT)
Email: lad1bd@viscom.net

To the Board of Directors
Louisiana Rural Ambulance Alliance
Napoleonville, LA.

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

During our review of the Alliance's financial statements as of December 31, 2021, we became aware of the following matter that represents an opportunity for improving financial reporting and refining policies and procedures. The following items summarize our comments and suggestions regarding this matter. This letter does not affect our review report dated June 28, 2022, on the financial statements of the Alliance.

ML 2021-001 Reconciliation of Grant Expenses

Condition: Disbursements that are eligible for reimbursement under grant awards are properly segregated and recorded in the accounting records. In order to submit a request for reimbursement, a spreadsheet is prepared for each grant using these invoices. However, neither the spreadsheet nor the grant reimbursement request are reconciled to the accounting records.

Recommendations: The spreadsheets used to prepare the grant reimbursement requests should be reconciled to the accounting records to ensure completeness and accuracy.

Management's Response: See management's response attached.

Status of Prior Year Management Letter Comments

2020-001 Reconciliation of Grant Expenses

Condition: Disbursements that are eligible for reimbursement under grant awards are properly segregated in the accounting records. Copies of the invoices are maintained in separate folders for each grant. In order to submit a request for reimbursement, a spreadsheet is prepared for each grant using these invoices. However, neither the spreadsheet nor the grant reimbursement request are reconciled to the accounting records.

Current Status: This is a repeated comment in current year. See ML 2021-001 Reconciliation of Grant Expenses above.

ML 2020-002 Reconciliation of Surge Hours

Condition:

Although spreadsheets are maintained for surge revenue and expenses, the hours requested for reimbursement do not appear to be reconciled to hours paid to providers, which resulted in the following discrepancies:

Hurricane Laura Event

- The hours requested for reimbursement from the State exceeded the amount originally paid to providers in two instances for a total of 207.2 hours. This resulted in an overpayment from the State of \$50,779.
- A provider was underpaid 72 hours in one instance resulting in an underpayment to the provider in the amount of \$16,992.
- There were four separate instances where providers were overpaid. The total overpayment was for 41.64 hours resulting in an overpayment to the providers in the amount of \$9,233.

COVID-19 Event

- Hours requested for reimbursement from the State did not agree to the amount originally paid to providers in 23 instances resulting in a total underpayment to providers in the amount of \$20,374.

Current Status:

This appears to have been resolved.

We have already discussed these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience. We would also welcome any opportunity to perform any additional study of these matters or to assist you in implementing the recommendations. We would also like to thank the Alliance's staff for their cooperation with us during the performance of the review.

This information is intended solely for the information and use of the Board and management of the Louisiana Rural Ambulance Alliance and is not intended to be and should not be used for any other purpose.

Postlethwaite & Netterville

Donaldsonville, Louisiana
June 28, 2022



June 28, 2022

Louisiana Legislative Auditor

The Louisiana Rural Ambulance Alliance (Alliance) respectfully submits the following corrective action plan for the year ended December 31, 2021.

Name and address of independent public accounting firm:

Postlewaite & Netterville, APAC

P.O. Box 1190

Donaldsonville, LA 70346

Financial Statement Period: January 1, 2021 – December 31, 2021

The findings from the Management Letter are discussed below. The findings are numbered consistently with the numbers assigned in the Management Letter.

ML 2021-001 Reconciliation of Grant Expenses

Condition: Disbursements that are eligible for reimbursement under grant awards are properly segregated in the accounting records. In order to submit a request for reimbursement, a spreadsheet is prepared for each grant using these invoices. However, neither the spreadsheet nor the grant reimbursement request are reconciled to the accounting records.

Recommendations: The spreadsheets used to prepare the grant reimbursement requests should be reconciled to the accounting records to ensure completeness and accuracy.

Management's Response: The spreadsheets used to prepare the grant reimbursement requests will be reconciled to the accounting records monthly to ensure completeness and accuracy.

The above corrective action plan addresses the current year findings. If you need additional information concerning the corrective action plan, please contact me at your convenience.

Donna Newchurch, CEO