

**VOLUNTEERS OF AMERICA
SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Audits of Consolidated Financial Statements

June 30, 2024 and 2023



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Independent Auditor's Report

To the Boards of Directors
Volunteers of America Southeast Louisiana, Inc. and Subsidiaries
New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Volunteers of America Southeast Louisiana, Inc. and Subsidiaries (the Organization), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 opinions. 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 GAAS 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 financial statements.

In performing an audit in accordance with GAAS 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 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 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 the Organization'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2024, on our consideration of the Organization'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Covington, LA
October 29, 2024

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Consolidated Statements of Financial Position
June 30, 2024 and 2023

	2024	2023
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 11,990,063	\$ 5,637,347
Accounts Receivable, Net of Allowance for Doubtful		
Accounts of \$40,055 at 2024 and \$73,360 at 2023	4,076,842	5,948,197
Pledges Receivable, Net	475,042	445,423
Prepaid Expenses	2,129,401	1,773,066
Due from Projects in Development	261,947	75,894
Investments	2,750,041	2,079,239
Other Current Assets	2,234,428	2,196,765
Total Current Assets	23,917,764	18,155,931
Fixed Assets, Net	179,812,673	156,477,054
Other Assets		
Designated and Restricted Deposits	4,859,753	3,956,043
Due from Projects in Development	838,709	838,709
Long-Term Investments	5,040,886	7,902,837
Pledges Receivable, Net	671,605	832,885
Notes Receivable	-	78,042
Investment in Joint Ventures	385,268	420,578
Deferred Tax Assets	291,446	289,237
Right-of-Use Assets - Operating Leases	3,986,168	3,384,812
Right-of-Use Assets - Finance Leases	211,017	297,909
Total Other Assets	16,284,852	18,001,052
Total Assets	\$ 220,015,289	\$ 192,634,037

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

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Consolidated Statements of Financial Position (Continued)
June 30, 2024 and 2023

	2024	2023
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	\$ 3,350,286	\$ 2,463,791
Lines of Credit	-	1,023,832
Mortgages and Notes Payable	27,961,051	14,984,982
Accrued Expenses	2,127,242	1,877,625
Lease Liability - Operating Leases	254,984	160,519
Lease Liability - Finance Leases	98,325	96,977
Other Current Liabilities	2,117,152	2,523,901
Due to Projects in Development	230,622	585,361
Total Current Liabilities	36,139,662	23,716,988
Other Liabilities		
Mortgages and Notes Payable, Less Unamortized Debt Issuance Costs	85,869,938	75,362,306
Lease Liability - Operating Leases	1,324,500	731,286
Lease Liability - Finance Leases	106,276	181,129
Total Other Liabilities	87,300,714	76,274,721
Total Liabilities	123,440,376	99,991,709
Net Assets		
Net Assets Without Donor Restrictions		
Attributable to VOASELA	38,627,633	38,765,009
Attributable to Non-Controlling Interests	56,068,123	51,986,002
Net Assets With Donor Restrictions	1,879,157	1,891,317
Total Net Assets	96,574,913	92,642,328
Total Liabilities and Net Assets	\$ 220,015,289	\$ 192,634,037

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

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Consolidated Statement of Activities
For the Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Public Support Received Directly			
Contributions and Special Events	\$ 1,866,586	\$ 196,158	\$ 2,062,744
Contributions of Nonfinancial Assets	240,495	-	240,495
Public Support Received Indirectly			
United Way Allocations	126,356	-	126,356
Net Assets Released from Restrictions	208,318	(208,318)	-
Total Public Support	2,441,755	(12,160)	2,429,595
Revenues and Grants from Governmental Agencies	28,991,792	-	28,991,792
Other Revenue			
Program Service Fees	3,436,441	-	3,436,441
Rental Income	9,768,576	-	9,768,576
Other Operating Income	832,628	-	832,628
Total Other Revenue	14,037,645	-	14,037,645
Total Revenue, Support, and Gains	45,471,192	(12,160)	45,459,032
Operating Expenses			
Program Services			
Encouraging Positive Development	2,772,539	-	2,772,539
Fostering Independence	11,075,694	-	11,075,694
Promoting Self-Sufficiency	31,886,423	-	31,886,423
Total Program Services	45,734,656	-	45,734,656
Supporting Services			
Management and General	5,769,678	-	5,769,678
Fundraising	1,142,521	-	1,142,521
Total Supporting Services	6,912,199	-	6,912,199
Total Operating Expenses	52,646,855	-	52,646,855
Deficit from Operations	(7,175,663)	(12,160)	(7,187,823)
Other Activities			
Net Investment Return	1,160,363	-	1,160,363
Income Tax Benefit	2,209	-	2,209
Other Non-Operating Gains	331,323	-	331,323
Surplus from Other Activities	1,493,895	-	1,493,895
Change in Net Assets	(5,681,768)	(12,160)	(5,693,928)
Other Changes in Net Assets	9,626,513	-	9,626,513
Total Change in Net Assets	3,944,745	(12,160)	3,932,585
Net Assets, Beginning of Year	90,751,011	1,891,317	92,642,328
Net Assets, End of Year	\$ 94,695,756	\$ 1,879,157	\$ 96,574,913

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

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Consolidated Statement of Activities
For the Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Public Support Received Directly:			
Contributions and Special Events	\$ 2,122,729	\$ 2,002,329	\$ 4,125,058
Contributions of Nonfinancial Assets	134,238	-	134,238
Public Support Received Indirectly:			
United Way Allocations	91,613	-	91,613
Net Assets Released from Restrictions	1,156,122	(1,156,122)	-
Total Public Support	3,504,702	846,207	4,350,909
Revenues and Grants from Governmental Agencies	26,828,143	-	26,828,143
Other Revenue			
Program Service Fees	7,011,085	-	7,011,085
Rental Income	7,803,756	-	7,803,756
Other Operating Income	904,629	-	904,629
Total Other Revenue	15,719,470	-	15,719,470
Total Revenue, Support, and Gains	46,052,315	846,207	46,898,522
Operating Expenses			
Program Services			
Encouraging Positive Development	5,376,667	-	5,376,667
Fostering Independence	10,026,550	-	10,026,550
Promoting Self-Sufficiency	26,171,585	-	26,171,585
Total Program Services	41,574,802	-	41,574,802
Supporting Services			
Management and General	5,505,973	-	5,505,973
Fundraising	1,242,589	-	1,242,589
Total Supporting Services	6,748,562	-	6,748,562
Total Operating Expenses	48,323,364	-	48,323,364
(Deficit) Surplus from Operations	(2,271,049)	846,207	(1,424,842)
Other Activities			
Loss on Disposition of Assets	(9,950)	-	(9,950)
Net Investment Return	900,912	-	900,912
Income Tax Expense	(20,648)	-	(20,648)
Other Non-Operating Gains	3,063,460	-	3,063,460
Surplus from Other Activities	3,933,774	-	3,933,774
Change in Net Assets	1,662,725	846,207	2,508,932
Other Changes in Net Assets	8,887,724	-	8,887,724
Total Change in Net Assets	10,550,449	846,207	11,396,656
Net Assets, Beginning of Year	80,200,562	1,045,110	81,245,672
Net Assets, End of Year	\$ 90,751,011	\$ 1,891,317	\$ 92,642,328

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

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2024

	Program Services				Supporting Services			Total
	Encouraging Positive Development	Fostering Independence	Promoting Self- Sufficiency	Subtotal	Management and General	Fundraising	Subtotal	
Salaries and Wages	\$ 1,355,041	\$ 6,863,287	\$ 7,828,909	\$ 16,047,237	\$ 2,283,915	\$ 429,580	\$ 2,713,495	\$ 18,760,732
Employee Benefits	194,280	952,057	1,209,896	2,356,233	379,887	69,144	449,031	2,805,264
Professional Services	251,152	612,685	6,389,422	7,253,259	2,038,527	299,106	2,337,633	9,590,892
Occupancy	272,070	676,802	2,489,011	3,437,883	384,657	5,075	389,732	3,827,615
Specific Assistance to Individuals	92,618	547,691	2,547,133	3,187,442	7,109	-	7,109	3,194,551
Program Supplies and Equipment	470,042	559,347	2,174,498	3,203,887	154,310	135,575	289,885	3,493,772
Office Supplies and Expenses	36,175	75,781	233,012	344,968	107,364	39,477	146,841	491,809
Travel, Conferences, and Meetings	53,328	332,525	167,013	552,866	110,732	21,288	132,020	684,886
Depreciation and Amortization	27,680	268,583	5,731,709	6,027,972	113,382	-	113,382	6,141,354
Interest	1,717	2,296	2,510,362	2,514,375	65,662	-	65,662	2,580,037
Other	18,436	184,640	605,458	808,534	124,133	143,276	267,409	1,075,943
Total	<u>\$ 2,772,539</u>	<u>\$ 11,075,694</u>	<u>\$ 31,886,423</u>	<u>\$ 45,734,656</u>	<u>\$ 5,769,678</u>	<u>\$ 1,142,521</u>	<u>\$ 6,912,199</u>	<u>\$ 52,646,855</u>

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

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2023

	Program Services				Supporting Services			
	Encouraging Positive Development	Fostering Independence	Promoting Self- Sufficiency	Subtotal	Management and General	Fundraising	Subtotal	Total
Salaries and Wages	\$ 2,301,657	\$ 6,131,128	\$ 7,249,962	\$ 15,682,747	\$ 1,976,787	\$ 330,702	\$ 2,307,489	\$ 17,990,236
Employee Benefits	282,726	850,514	1,046,552	2,179,792	333,593	59,944	393,537	2,573,329
Professional Services	220,227	477,424	5,433,338	6,130,989	1,923,612	209,373	2,132,985	8,263,974
Occupancy	403,905	769,127	1,303,625	2,476,657	582,969	251	583,220	3,059,877
Specific Assistance to Individuals	136,213	535,694	2,580,336	3,252,243	3,538	-	3,538	3,255,781
Program Supplies and Equipment	1,776,114	586,171	1,844,159	4,206,444	175,726	4,996	180,722	4,387,166
Office Supplies and Expenses	56,225	88,778	241,503	386,506	104,011	43,755	147,766	534,272
Travel, Conferences, and Meetings	101,921	226,435	153,770	482,126	82,783	19,975	102,758	584,884
Depreciation and Amortization	78,640	247,504	4,761,766	5,087,910	77,823	-	77,823	5,165,733
Interest	-	27,750	1,169,776	1,197,526	75,512	-	75,512	1,273,038
Other	19,039	86,025	386,798	491,862	169,619	573,593	743,212	1,235,074
Total	\$ 5,376,667	\$ 10,026,550	\$ 26,171,585	\$ 41,574,802	\$ 5,505,973	\$ 1,242,589	\$ 6,748,562	\$ 48,323,364

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

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Consolidated Statements of Cash Flows
For the Years Ended June 30, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Change in Net Assets	\$ (5,693,928)	\$ 2,508,932
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation and Amortization	6,141,354	5,165,733
Gain on Investments	(615,567)	(397,146)
Loss on Disposition of Assets	-	9,950
Credit Loss Expense	194,355	114,714
Bad Debt Expense	106,364	319,809
Forgiveness of Debt Income	(83,222)	(83,222)
Deferred Tax (Benefit) Expense	(2,209)	20,648
(Increase) Decrease in Operating Assets		
Accounts Receivable, Net	1,672,053	(1,326,106)
Pledges Receivable, Net	30,244	86,998
Prepaid Expenses	293,174	3,974
Due from Projects in Development	(186,053)	3,420,005
Other Current Assets	(37,663)	(479,567)
Investment in Joint Ventures	35,310	(23,724)
Right-of-Use Assets - Operating Leases	373,897	210,682
Increase (Decrease) in Operating Liabilities		
Accounts Payable	886,495	(1,436,431)
Accrued Expenses	249,617	(653,785)
Other Current Liabilities	(406,749)	(1,356,275)
Due to Projects in Development	(354,739)	415,702
Lease Liability - Operating Leases	(287,574)	(155,689)
Net Cash Provided by Operating Activities	2,315,159	6,365,202
Cash Flows from Investing Activities		
Proceeds from Sale of Investments	10,664,085	4,462,321
Purchases of Investments	(7,857,369)	(6,701,482)
Increase in Notes Receivable	78,042	(78,042)
Proceeds from Sale of Fixed Assets	239,026	-
Purchases of Fixed Assets	(5,810,063)	(12,116,126)
Net Cash Used in Investing Activities	(2,686,279)	(14,433,329)

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

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Consolidated Statements of Cash Flows (Continued)
For the Years Ended June 30, 2024 and 2023

	2024	2023
Cash Flows from Financing Activities		
Proceeds from Lines of Credit	-	1,023,832
Payments on Lines of Credit	(1,023,832)	-
Proceeds from Mortgages and Notes Payable	4,681,647	4,182,774
Principal Payments on Mortgages and Notes Payable	(4,231,465)	(20,689,971)
Payments of Debt Issuance Costs	(1,319,146)	(519,595)
Principal Payments on Finance Leases	(106,171)	(77,524)
Investor Contributions	9,626,513	8,887,724
Net Cash Provided by (Used in) Financing Activities	7,627,546	(7,192,760)
Net Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash	7,256,426	(15,260,887)
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	9,593,390	24,854,277
Cash, Cash Equivalents, and Restricted Cash, End of Year	\$ 16,849,816	\$ 9,593,390
Supplemental Disclosure of Cash Flow Information		
Cash Paid for Interest	\$ 2,309,145	\$ 1,239,781
Non-Cash Transactions		
Financed Insurance Premiums	\$ 649,509	\$ 528,529
Purchases of Fixed Assets with Proceeds from Mortgages and Notes Payable	\$ 23,633,326	\$ 12,743,974
Refinance of Mortgages and Notes Payable	\$ 84,205	\$ 5,337,096
Recognition of Operating Lease Right-of-Use Assets	\$ 975,253	\$ 3,578,161
Operating Lease Liability Arising from Right-of-Use Assets	\$ 975,253	\$ 1,047,494
Finance Lease Liability Arising from Right-of-Use Assets	\$ 32,666	\$ 139,678

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

VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Note 1. Organization

Volunteers of America Southeast Louisiana, Inc. (VOASELA) is a nonprofit spiritually based human services organization recognized as a church, incorporated in the State of Louisiana. VOASELA provides social services within the Southeast Louisiana and Greater New Orleans areas under a charter from Volunteers of America, Inc., a national nonprofit spiritually based organization providing human services programs and opportunities for individual and community involvement. VOASELA provides (a) services to children in order to encourage positive development; (b) services to individuals with mental health problems, developmentally disabled, and elderly members of the community to foster their independence; and (c) community corrections services, affordable housing, and homeless services to promote self-sufficiency for affected individuals. Affiliated organizations controlled by VOASELA include VOA Development, Inc., VOA Development 2, Inc., and Renaissance Neighborhood Development Corporation, which will be collectively referred to as the Organization.

VOA Development, Inc. is a nonprofit organization incorporated under the laws of the State of Louisiana and sponsored by VOASELA. No capital stock is authorized, issued, or outstanding. VOA Development, Inc. was formed as a 501(c)(3) corporation to acquire interest in real property. VOA Development, Inc. operates a single room occupancy and efficiency housing for the homeless and elderly (Project I). All leases between Project I and tenants are operating leases. Project I consists of eighty-two (82) units. Project I qualified for and has been allocated low-income housing tax credits pursuant to Internal Revenue Code (IRC), Section 42, which regulates the use of Project I as to occupant eligibility and unit gross rent, among other requirements.

VOA Development 2, Inc. is a nonprofit organization incorporated under the laws of the State of Louisiana and sponsored by VOASELA. No capital stock is authorized, issued, or outstanding. VOA Development 2, Inc. was formed as a 501(c)(3) corporation to acquire interest in real property.

Canal Street SRO Limited Partnership (the Partnership) was formed as a limited partnership under the laws of the State of Louisiana for the purpose of constructing and operating single room occupancy and efficiency housing for the homeless and elderly (Project II). All leases between Project II and tenants are operating leases. Project II consists of seventy (70) units. Project II qualified for and has been allocated low-income housing tax credits pursuant to IRC, Section 42, which regulates the use of Project II as to occupant eligibility and unit gross rent, among other requirements. On December 31, 2014, the limited partner investor assigned 100% of its interest and all of its rights, titles, and interest in the Partnership and its property under the partnership agreement to VOA Development 2, Inc., the general partner. On December 21, 2018, the Partnership merged with and into its sole member, VOA Development 2, Inc. The surviving entity is VOA Development 2, Inc.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 1. Organization (Continued)

Renaissance Neighborhood Development Corporation (RNDC) is a nonprofit corporation organized under the laws of the State of Louisiana exclusively for charitable, religious, educational, and scientific purposes within the meaning of Section 501(c)(3) of the IRC. This includes, without limitation, the ownership and operation of housing facilities on a nonprofit basis and the provision of housing-related services on a nonprofit basis, and including for such purposes the making of distributions and contributions to organizations described in Section 501(c)(3) of the IRC and exempt from taxation under Section (a) of the IRC. RNDC was formed by Volunteers of America National Services and VOASELA to respond to the devastation of Hurricane Katrina so as to construct, rehabilitate, or acquire housing in the Southeast Louisiana area that is affordable to very low-, low-, and moderate-income families. Consolidation of RNDC into VOASELA, an entity with non-voting control and economic interest over RNDC, was accomplished in the 2013 fiscal year in the following manner: 1) the ownership criteria was met by establishing a 51-49 non-voting majority interest reflected in the by-laws, and 2) by establishing economic interest based on the fact that the housing department is headquartered within VOASELA, with full hiring, firing, and other budgetary authority with the benefit impacting the Southeast Louisiana and outlying regional areas.

The Organization operates and maintains programs to meet a wide variety of needs for individuals in the Organization's service areas. These programs provide numerous social services which are described as follows:

Encouraging Positive Development

The Organization provides services to promote healthy development of children, adolescents, and their families through a continuum of services from early prevention to intensive intervention approaches through the following program:

Children and Youth Services: This program provides services to children with developmental disabilities from birth to age eighteen, to enhance their functioning by living in small, typical homes in the community. The program also provides young women with viable positive alternatives when facing single parenthood by providing counseling for pregnant young women and providing adoption services.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 1. Organization (Continued)

Fostering Independence

The Organization provides services designed to provide care when needed, while supporting independence to the degree possible. These services are offered to the elderly and to those individuals with disabilities, mental illness, and HIV/AIDS through the following programs:

Disabilities Services: This program serves adults with developmental disabilities and mental illnesses by helping them maintain their own residence in the community and provides training in personal, vocational, and social skills and supportive counseling. The program also assists in meeting medical, employment, financial, recreational, and mobilization needs.

Elderly Services: This program fosters independent living with dignity and a sense of self-reliance for the elderly. The program also sponsors educational and health-related activities, homemaker services, repairs on wheels, and elderly protective services.

Mental Health Services: This program provides pre-vocational and vocational placement, employment support, and a day treatment program placement for adults with developmental disabilities in an effort to enhance their self-esteem and functional productivity in a small, community-based residential setting.

Promoting Self-Sufficiency

The Organization provides services to promote self-sufficiency to those who have experienced homelessness or other personal crises, including chemical dependency, involvement with the corrections system, and unemployment, through the following programs:

Correctional Services: This program re-establishes family relationships and support and gainful employment and drug abstinence for men and women who are being released from federal institutions.

Employment and Training Services: This program identifies, facilitates, and coordinates training to ensure that staff members are equipped to perform their jobs.

Homeless Services: This program provides shelter for homeless individuals.

Housing Services: This program provides housing management services for multi-family housing complexes.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 1. Organization (Continued)

Management and General

This supporting service facilitates and coordinates the operations of the Organization and is used to fund operations of the Organization that are not directly covered by specific programs administered by the Organization.

Fundraising

This supporting service facilitates and coordinates the fundraising activities of the Organization. Its activities primarily consist of fundraising activities and sales of automobiles donated to the Organization.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

The accounting policies of the Organization conform to accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to voluntary health and welfare organizations.

Basis of Presentation

Financial statement presentation is in accordance with the *Not-for-Profit Entities* Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Accordingly, the Organization is required to report information regarding its financial position and activities according to the existence or absence of donor-imposed restrictions.

Net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for general use and not subject to donor restrictions.

Net Assets With Donor Restrictions - Net assets whose use is limited by donor- or grantor-imposed time and/or purpose restrictions. Contributions with donor restrictions are reported as revenues with donor restrictions. Once funds are expended for their restricted purpose, these net assets with donor restrictions are released to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

As of June 30, 2024 and 2023, there was \$1,879,157 and \$1,891,317, respectively, of net assets with donor restrictions.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
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Notes to Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Principles of Consolidation

The accompanying financial statements include the accounts of Volunteers of America Southeast Louisiana, Inc., its wholly-owned nonprofit subsidiaries, VOA Development, Inc., VOA Development 2, Inc., and RNDC in which VOASELA has a controlling interest. All significant intercompany transactions have been eliminated.

Non-Controlling Interest

The financial statements include assets, liabilities, revenues, and expenses of entities that are controlled by the Organization and therefore consolidated. Non-controlling interests in the consolidated statements of financial position represent the portion of net assets owned by entities outside the Organization, for those entities in which the Organization's ownership interest is less than 100%.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash, Cash Equivalents, and Restricted Cash

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents, unless held for reinvestment as part of the investment portfolio, pledged to secure loan agreements, or otherwise designated or restricted. The carrying amount approximates fair value because of the short-term maturity of those instruments.

Accounts Receivable

Accounts receivable includes balances due related to exchange transactions and balances due related to non-exchange transactions.

Accounts receivable balances due related to non-exchange transactions are stated at the amount management expects to collect from outstanding balances. Management closely monitors outstanding accounts receivable and charges to expense any balances that are determined to be non-collectible or establishes an allowance for doubtful accounts. The accounts receivable allowance at June 30, 2024 and 2023 totaled \$40,055 and \$73,360, respectively.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
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Notes to Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Accounts Receivable (Continued)

After adoption of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 326-20 *Financial Instruments - Credit Losses* on July 1, 2023, for accounts receivable balances due related to exchange transactions, management determines the allowance using an estimate of expected credit losses, applied to customer groupings with similar risk characteristics, based on historical experience, current economic conditions, and certain forward-looking information. Account balances are written-off against the established allowance when management determines it is probable the receivable will not be collected. There was no allowance for credit losses at June 30, 2024. The opening accounts receivable balance at July 1, 2022 totaled \$5,121,653.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated statements of financial position. See Note 14 for discussion of fair value measurement. Net investment return (including realized and unrealized gains and losses on investments, interest, dividends, and expenses) is included in the change in net assets without donor restrictions.

Allowance for Credit Losses - Debt Securities

Debt securities with a fair value less than its amortized cost basis is considered impaired. Management evaluates debt securities in an unrealized loss position on an annual basis, and more frequently when economic or market conditions warrant such evaluation. If the Organization has the intent to sell the security, or it is more likely than not that the Organization will be required to sell the security, the total impairment loss is recognized as an adjustment to the amortized cost basis of the of the investment and reflected in the consolidated statements of activities. The new amortized cost basis is not adjusted for subsequent recoveries in fair value.

If the Organization does not have the intent to sell and determines that it is not more likely than not that it will be required to sell the security, management evaluates whether the decline in fair value is the result of credit losses or other factors. In making the assessment, management may consider various factors including the extent to which fair value is less than amortized cost, performance on any underlying collateral, downgrades in the ratings of the security by a rating agency, the failure of the issuer to make scheduled interest or principal payments and adverse conditions specifically related to the security. If the assessment indicates that a credit loss exists, the present value of cash flows expected to be collected is compared to the amortized cost basis of the security. To the extent that the security's amortized cost basis exceeds the present value of cash flows expected to be collected, an allowance for credit losses is recorded. Recoveries of credit losses can be reversed in subsequent periods. At June 30, 2024, there was no allowance for credit loss related to their debt securities.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Investment in Joint Ventures

The investment in joint ventures represents a 25% ownership by the Organization in two entities, Edgewater Ventures, LLC and Pixie, LLC, and is accounted for using the equity method of accounting. The investment is carried at cost plus equity in undistributed earnings or losses.

Fixed Assets

Land, buildings, building improvements, vehicles, furniture, and equipment purchased by the Organization are recorded at cost. VOASELA, VOA Development Inc., VOA Development 2, Inc., and the Pre-Development entities, within RNDC, follow the practice of capitalizing all expenditures for land, buildings, and equipment over \$2,500. The General and Limited Partnership entities, within RNDC, follow the practice of capitalizing all expenditures for land, buildings, and equipment over \$500. The fair value of donated fixed assets is similarly capitalized.

Depreciation and amortization are computed using the straight-line method based upon the following estimated useful lives of the assets:

Building and Improvements	10 - 30 Years
Vehicles	5 Years
Furniture and Equipment	3 - 8 Years

Designated and Restricted Deposits

Designated and restricted deposits represent the total of all assets that are encumbered by donor restrictions, legal agreements, Board of Directors' designation, or otherwise unavailable for general use by the Organization. This category generally includes assets such as client or custodial funds, escrow and reserve account funds, net assets with donor restrictions and net assets without donor restrictions, and securities that are pledged and held by the lender as collateral for financing.

Leases

The Organization determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract, and (ii) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the assets are used during the term of the contract. The Organization also considers whether its service arrangements include the right to control the use of an asset.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Leases (Continued)

The Organization recognizes most leases on its consolidated statements of financial position as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Leases are classified as either finance leases or operating leases based on certain criteria. Classification of the lease affects the pattern of expense recognition in the consolidated statements of activities.

The Organization made an accounting policy election available not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct cost incurred and lease payments made at or before the commencement date and are reduced by any lease incentives received. To determine the present value of lease payments, the Organization made an account policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date.

Future lease payments may include fixed-rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

The Organization has made an accounting policy election to account for lease and nonlease components in its contracts as a single lease component for its real estate, vehicle, and equipment asset classes. The nonlease components typically represent additional services transferred to the Organization, such as common areas maintenance for real estate which are variable in nature and recorded in variable lease expense in the period incurred.

Operations

The Organization defines operations as all program services and supporting activities undertaken. Revenues that result from these activities and their related expenses are reported as operations. Gains, losses, and other revenue that result from ancillary activities are reported as non-operating.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Revenue Recognition

The Organization's revenue is derived primarily from contributions, grants, rental income, program service fees, and management fees.

In May 2014, the FASB issued ASC Topic 606, *Revenue from Contracts with Customers*, which introduced a five step model to recognize revenue from customer contracts in an effort to increase consistency and comparability throughout global capital markets and across industries. The model identifies the contract, any separate performance obligations in the contract, determines the transaction price, allocates the transaction price, and recognizes revenue when the performance obligations are satisfied. However, this standard does not affect revenue streams that are addressed by other standards such as leases under Topic 842 and Contributions under Topic 958. Consequently, the new standard did not impact the timing of revenue recognition for contributions, grants, and rental income. Management determined that the new standard applies to revenues from program service fees and management fees.

Rental income is derived from the leasing of commercial and residential properties under leases with durations of less than one year. The Organization records revenue for such leases at gross potential rent. The rental value of vacancies and other concessions are stated separately to present net rental income on the accrual basis.

Contributions are generally recorded only upon receipt, unless evidence of an unconditional promise to give (pledge) has been 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. Conditional promises to give are not included as support until such time as the conditions are substantially met. All contributions are considered available for use to meet general expenditures unless specifically restricted by the donor.

A significant portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the consolidated statements of financial position. As of June 30, 2024 and 2023, there have been no cost reimbursable grants received in advance of qualifying expenditures.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
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Notes to Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

RNDC earns a development fee under the development services agreement entered with the third-party investors to develop a qualified affordable housing project (QAHP), which upon the completion is qualified for a certain tax credit. The performance obligation associated with the development services agreement is the combination of necessary actions RNDC should take to enable the QAHP to be eligible for a tax credit. The transaction price is the fixed fee specified in the development service agreement, subject to any contract adjustments contemplated in the agreement with the third-party investor. The revenue is recognized over the period of the agreement using the output measurement method, which measures progress toward completion based on project phases as specified in the development service agreement.

Property management fees are earned for managing the operations of real estate assets and are generally based on a fixed percentage of the revenues generated from the respective real estate assets. Property management fees are recorded based on a percentage of collected rents at the properties under management, and not on a straight-line basis, because such fees are contingent upon the collection of rents.

Income Taxes

Under provisions of Section 501(c)(3) of the IRC and the applicable income tax regulations of the State of Louisiana, the Organization 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 IRC as a religious organization described in Section 501(c)(3). There was no material unrelated business net income in fiscal years ended June 30, 2024 and 2023.

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Organization recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. The Organization believes that it has appropriate support for any tax positions taken, and management has determined that there are no uncertain tax positions that are material to the financial statements.

Penalties and interest assessed by income taxing authorities, if any, would be included in income tax expense.

Advertising Expenses

The Organization expenses the costs of advertising as incurred. Advertising expense totaled \$347,626 and \$281,727 for the years ended June 30, 2024 and 2023, respectively.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs, management and general, and fundraising expenses. Certain costs not directly attributable to a function, including telecommunications, information technology, and general liability insurance, have been allocated among the programs and supporting services benefitted. These expenses are allocated to function based on headcount. Property insurance is allocated based on the total value of buildings and contents insured.

Summary Financial Information for 2023

The financial statements and supplementary information for the year ended June 30, 2024 contain 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 accounting principles generally accepted in the United States. Accordingly, such information should be read in conjunction with the Organization's financial statements and related notes or the financial statements for the year ended June 30, 2023, from which the summarized information was derived.

Reclassifications

Certain amounts in the prior year financial statements have been reclassified in order to be comparable with the current year presentation. These reclassifications had no impact on previously reported changes in net assets.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
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Notes to Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Implementation of Accounting Pronouncement

On July 1, 2023, the Organization adopted Accounting Standard Update (ASU) 2016-13 and all subsequent ASUs that modified ASU 2016-13, which have been codified under ASC 326, *Financial Instruments - Credit Losses*. This standard modified guidance related to estimating allowance for credit losses for amortized assets, such as trade receivables and debt securities. The Organization implemented this guidance using the modified retrospective approach, as required, and has not adjusted prior period comparative information and will continue to disclose prior period financial information in accordance with previous accounting guidance. The implementation of ASC 326 did not result in a significant impact on the consolidated financial statements.

Note 3. Liquidity and Availability

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Organization manages its cash available to meet general expenditures using the following:

- Operating within a prudent range of financial soundness and stability
- Maintaining adequate liquid assets
- Maintaining sufficient reserves to provide reasonable assurance of sustainability
- Having a line of credit available for times of unforeseen events or delays in payment of receivables by resource provider

Assets not available to meet general expenditures within one year of the consolidated statements of financial position date include amounts in nonspendable form.

As of June 30, 2024 and 2023, financial assets available for general operating purposes within one year of the consolidated statements of financial position dates comprise the following:

	2024	2023
Cash and Cash Equivalents	\$ 11,990,063	\$ 5,637,347
Accounts Receivable, Net	4,076,842	5,948,197
Investments	2,750,041	2,079,239
Total	<u>\$ 18,816,946</u>	<u>\$ 13,664,783</u>

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
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Notes to Consolidated Financial Statements

Note 4. Pledges Receivable

At June 30, 2024 and 2023, amounts included in pledges receivable were as follows:

	2024	2023
Pledges Receivable	\$ 1,590,908	\$ 2,015,403
Less: Discount of Long-Term Pledges	(150,421)	(128,715)
Less: Allowance for Doubtful Accounts	(293,840)	(608,380)
Pledges Receivable, Net	<u>\$ 1,146,647</u>	<u>\$ 1,278,308</u>

Amounts due are as follows:

Year Ending June 30,	Amount
2025	\$ 542,828
2026	253,690
2027	218,240
2028	195,540
2029	91,440
Thereafter	<u>289,170</u>
Total	<u>\$ 1,590,908</u>

Pledges receivable due in more than one year are discounted at 3.75%.

Note 5. Cash, Cash Equivalents, and Restricted Cash

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated statements of financial position that sum to the total of the same such amounts shown in the consolidated statements of cash flows as of June 30, 2024 and 2023.

	2024	2023
Cash and Cash Equivalents	\$ 11,990,063	\$ 5,637,347
Designated and Restricted Deposits	4,859,753	3,956,043
Total	<u>\$ 16,849,816</u>	<u>\$ 9,593,390</u>

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
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Notes to Consolidated Financial Statements

Note 5. Cash, Cash Equivalents, and Restricted Cash (Continued)

The Organization has agreements with agencies that require funded reserves and the restriction of certain deposits which are custodial in nature. At June 30, 2024 and 2023, designated and restricted deposits were as follows:

	2024	2023
Escrow	\$ 2,134,148	\$ 1,515,858
Security Deposits	337,338	288,751
Replacement Reserve Funds	2,388,267	2,151,434
Total	\$ 4,859,753	\$ 3,956,043

Note 6. Fixed Assets

At June 30, 2024 and 2023, fixed assets consisted of the following:

	2024	2023
Land	\$ 10,781,466	\$ 9,639,265
Buildings and Improvements	169,348,195	150,997,128
Vehicles	1,009,569	998,658
Furniture and Equipment	13,024,402	11,016,802
Construction in Progress	29,536,385	22,251,206
	223,700,017	194,903,059
Less: Accumulated Depreciation	(43,887,344)	(38,426,005)
Total Fixed Assets, Net	\$ 179,812,673	\$ 156,477,054

Depreciation expense was \$5,868,744 and \$4,923,202 for the years ended June 30, 2024 and 2023, respectively.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
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Notes to Consolidated Financial Statements

Note 7. Lines of Credit

VOASELA has a \$995,000 line of credit. The line has an interest rate based on the one Month Term SOFR. This line of credit matures on June 30, 2025. There was no balance on this line of credit at June 30, 2024 or 2023. VOASELA is subject to a restrictive financial covenant under this agreement. At June 30, 2024 and 2023, the Organization was in compliance with this covenant.

VOASELA has a \$500,000 line of credit agreement with an interest rate of 3.00% plus the one Month Term SOFR. There is no maturity on this line of credit. There was no balance on this line of credit at June 30, 2024 and 2023.

On September 16, 2020, RNDC entered into a line of credit agreement with Home Bank totaling \$1,000,000, which matured June 30, 2024, with an interest rate of 4.5%. Subsequent to year end on September 18, 2024, the line of credit was extended with an interest rate of 8.5% and a new maturity date of September 30, 2026. There was no balance on this line of credit as of June 30, 2024. The balance at June 30, 2023 totaled \$850,000.

On December 8, 2022, RNDC entered into a short-term loan agreement with Volunteers of America, Inc. totaling \$250,000 with any funds being borrowed expected to be repaid immediately after receipt of certain insurance proceeds, therefore, not subject to any interest. The balance was repaid in full during the year ended June 30, 2024. The balance at June 30, 2023 totaled \$173,832.

Note 8. Mortgages and Notes Payable

The following is a summary of mortgages and notes payable at June 30, 2024 and 2023:

	2024	2023
Two (2) notes payable to the Louisiana Housing Finance Agency, secured by CDBG Piggyback Program Leasehold Mortgage, with interest rates of -0-%, and maturity dates of August 31, 2044 and May 20, 2045, for Chateau Carre' and New Covington.	\$ 15,394,908	\$ 15,394,908
One (1) note payable to CDBG, with an interest rate of 0.50%, maturing December 31, 2043, for Denham Townhomes, LLC (Martin Landing).	11,702,108	-
One (1) note payable to Terrebonne Parish Consolidated Government, secured by land and buildings, with an interest rate of -0-%, maturing June 1, 2049, for Bayou Cane Apartments.	5,547,413	5,547,413
One (1) note payable to Terrebonne Council on Aging, Inc., with an interest rate of -0-%, maturing March 29, 2066, for Houma School Apartments.	5,467,089	5,499,878

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
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Notes to Consolidated Financial Statements

Note 8. Mortgages and Notes Payable (Continued)

	2024	2023
One (1) note payable to Capital One, National Association, with an interest rate of 7.24%, maturing September 21, 2025, for Celeste Landing.	4,360,473	-
One (1) note payable to Home Bank, secured by a first mortgage on 1746-1770 Tchoupitoulas Street, with an interest rate of 4.5%, maturing on September 27, 2024, for 1770 Tchoupitoulas, Inc.	4,062,715	4,249,172
One (1) note payable to City of New Orleans under HOME Investment Partnership program, with an interest rate of 1.79%, maturing January 1, 2070, for Celeste Landing.	3,325,000	-
One (1) note payable to Capital One Multifamily Finance, secured by land and buildings, with an interest rate of 4.28%, maturing July 1, 2031, for Bayou Cane Apartments.	3,077,180	3,132,837
One (1) note payable to Home Bank, secured by cash collateral pledge of \$114,000, with an interest rate of 4.60%, maturing May 28, 2037, for Embassy Apartments Shreveport.	1,130,208	1,150,092
One (1) note payable to Louisiana Housing Corporation, with an interest rate of -0-%, maturing July 1, 2058, for Valencia Park.	1,122,000	-
One (1) deferred payment loan to the Louisiana Housing Corporation, an interest rate of -0-%, maturing on December 31, 2026, \$83,222 annual forgiveness of debt recognized for New Covington.	2,390,474	2,473,696
One (1) note payable to Capital One, National Association, secured by land and buildings, with an interest rate of 5.05%, maturing on November 1, 2033, for Houma School Apartments.	2,447,554	2,497,497
One (1) note payable to Capital One, National Association, secured by land and buildings, with an interest rate of 7.0%, maturing June 16, 2026, for Chateau Carre'.	2,184,868	2,248,920
One (1) note payable to Dougherty Mortgage LLC, insured by HUD under section 207/223(f) of the National Housing Act, with an interest rate of 3.20%, maturing May 1, 2045, for New Covington Apartments.	1,057,737	1,092,712
One (1) note payable to the Louisiana Housing Corporation under Declared Disaster Recovery Fund Program, secured by the first mortgage on the Celeste Landing property, with an interest rate of -0-%, maturing on June 1, 2058.	923,985	-
One (1) note payable to Federal Home Loan Bank of Atlanta, secured by property and the rents, profits, issues, products, and income from the property, with an interest rate of -0-%, maturing on July 31, 2038.	500,000	500,000

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
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Notes to Consolidated Financial Statements

Note 8. Mortgages and Notes Payable (Continued)

	2024	2023
One (1) note payable to the Louisiana Housing Corporation under National Housing Trust Fund Program, with an interest rate of -0-%, maturing on April 1, 2063, for FSJ I.	500,000	-
One (1) note payable to the Louisiana Housing Corporation under National Housing Trust Fund Program, with an interest rate of -0-%, maturing on April 1, 2063, for FSJ II.	500,000	-
One (1) note payable to PNC Bank, National Association, secured by land and buildings, with an interest rate of 4.60%, maturing on October 1, 2033, for The Cottages at Mile Branch.	233,020	237,713
One (1) note payable to the City of Shreveport, with an interest rate of -0-%, forgivable at a rate of 6.67% per year over the 15 year affordability period.	198,054	198,054
One (1) note payable to Volunteers of America National Services, unsecured, with an interest rate of -0-%, with annual payments of \$5,433 due from net cash flow as defined by the promissory note beginning on September 25, 2019, and the remaining balance due at maturity on May 1, 2051, for Embassy Apartments Shreveport.	163,000	163,000
One (1) note payable to Home Bank, secured by land and buildings (326 Buckeye Lane), with an interest rate of 5.25%, maturing December 21, 2024.	83,234	85,113
One (1) bond payable to Regions Bank, secured by the first mortgage on the property, with an interest rate of 4.64%, maturing December 1, 2038, for RNDC BR, LLC.	10,814,886	13,230,469
One (1) note payable to Lument Capital, with an interest rate of 2.85%, maturing May 1, 2062, for Valencia Park.	10,850,377	11,064,935
One (1) note payable to CDBG, with an interest rate of 0.35%, maturing May 1, 2062, for Valencia Park.	6,000,000	6,000,000
One (1) note payable to Federal Home Bank Dallas secured by land and buildings, with an interest rate of -0-%, maturing August 31, 2065.	410,000	410,000
One (1) note payable to the Louisiana Housing Finance Agency with an interest rate of -0-%, maturing on May 1, 2058, for RNDC BR, LLC.	8,623,654	7,489,949
One (1) note payable to Home Bank, secured by second mortgage, with an interest rate of 6.95%, maturing June 30, 2025, for Denham Townhomes, LLC (Martin Landing).	7,644,378	3,398,634

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
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Notes to Consolidated Financial Statements

Note 8. Mortgages and Notes Payable (Continued)

	2024	2023
One (1) note payable to Bellwether Enterprise Real Estate, secured by the mortgage on the property, with an interest rate of 4.17%, maturing April 1, 2063, for FSJ I.	2,637,566	2,664,214
One (1) note payable to Bellwether Enterprise Real Estate, secured by the mortgage on the property, with an interest rate of 4.17%, maturing April 1, 2063, for FSJ II.	2,637,566	2,664,214
One (1) mortgage payable to the U.S. Department of Housing and Urban Development, secured by a mortgage on the real estate and improvements thereon, with an interest rate of 9.25%, payable in monthly installments of \$4,952, matured on June 1, 2024.	-	76,123
Financed insurance premium with monthly installments of \$54,635 including interest at 7.29%, maturing June 30, 2024.	-	528,529
Financed insurance premium with monthly installments of \$57,147 including interest at 7.59%, maturing June 30, 2025.	719,406	-
One (1) note payable to Capital One, National Association, secured by property, with an interest rate of 4.92%, maturing on July 14, 2027.	161,949	208,276
One (1) note payable to Capital One, National Association, secured by property, with an interest rate of 4.92%, maturing on May 24, 2028.	60,170	74,831
	116,930,972	92,281,179
Less: Debt Issuance Costs, Net of Amortization	(3,099,983)	(1,933,891)
Total	\$ 113,830,989	\$ 90,347,288

Scheduled principal payments due on the above mortgages and notes payable subsequent to June 30, 2024 are as follows:

Year Ending June 30,	Amount
2025	\$ 28,195,329
2026	2,775,976
2027	688,851
2028	659,018
2029	732,422
Thereafter	83,879,376
Total	\$ 116,930,972

Interest expense totaled \$2,580,037 and \$1,273,038 for the years ended June 30, 2024 and 2023, respectively.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 9. Related-Party Transactions

The Organization is affiliated with Volunteers of America, Inc., which provides supporting services to the Organization for a fee. Affiliate fees totaled \$616,381 and \$662,921 for the years ended June 30, 2024 and 2023, respectively. Amounts payable to Volunteers of America, Inc. totaled \$54,774 and \$134,643 at June 30, 2024 and 2023, respectively.

Volunteers of America National Services is a guarantor of the debt of RNDC and has outstanding loans to RNDC. See Note 8 for further details.

There are various intercompany receivables and payables in the normal course of business which are eliminated in consolidation.

Note 10. Leases

The Organization leases real estate under operating lease agreements that have initial terms ranging from 1 to 75 years. Some leases include one or more options to renew, generally at the Organization's sole discretion, with renewal terms that can extend the lease term up to 50 years. In addition, certain leases contain termination options, where the rights to terminate are held by either the Organization, the lessor or both parties. These options to extend or terminate a lease are included in the lease terms when it is reasonably certain that the Organization will exercise that option. The Organization's operating leases generally do not contain any material restrictive covenants or residual value guarantees.

The Organization also leases certain real estate and equipment under finance lease agreements with terms ranging from 1 to 5 years and interest rates ranging from 0.83% to 4.22%. The Organization's finance leases generally do not contain any material restrictive covenants or residual value guarantees.

Operating lease cost is recognized on a straight-line basis over the lease term. Finance lease cost is recognized as a combination of the amortization expense for the ROU assets and interest expense for the outstanding lease liabilities, and results in a front-loaded expense pattern over the lease term. The components of lease expense are as follows for the years ended June 30, 2024 and 2023:

	2024	2023
Operating Lease Cost	\$ 312,348	\$ 176,674
Finance Lease Cost - Amortization of Right-of-Use Assets	119,558	87,198
Finance Lease Cost - Interest on Lease Liabilities	8,914	6,017
Short-Term Lease Cost	16,000	-
Total Lease Cost	\$ 456,820	\$ 269,889

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 10. Leases (Continued)

Supplemental consolidated statement of financial position information related to leases is as follows as of June 30, 2024 and 2023:

	2024	2023
Finance Leases:		
Copiers	\$ 51,518	\$ 59,039
Vehicles	159,499	238,870
Total Finance Lease Right-of-Use Assets, Net	\$ 211,017	\$ 297,909
Other Information:		
Weighted Average Remaining Lease Term (in Years):		
Operating Leases	52.97	61.94
Finance Leases	2.66	2.15
Weighted Average Discount Rate:		
Operating Leases	2.80%	1.44%
Finance Leases	3.57%	3.09%

Future undiscounted cash flows for each of the next five years and thereafter and a reconciliation to the lease liabilities recognized on the consolidated statement of financial position are as follows as of June 30, 2024:

Year Ending June 30,	Operating	Finance
2025	\$ 266,766	\$ 103,800
2026	136,149	57,201
2027	61,055	32,165
2028	61,667	19,866
2029	62,298	1,656
Thereafter	2,119,810	-
Total Lease Payments	2,707,745	214,688
Less: Imputed Interest	(1,128,261)	(10,087)
Total Present Value of Lease Liabilities	\$ 1,579,484	\$ 204,601

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 11. Pension Plan for Ministers

The Organization participates in a non-contributory defined benefit pension and retirement plan. The plan is administered through a commercial insurance company and covers all ministers commissioned through December 31, 1999. Pension plan expenses totaled \$39,997 and \$41,954 for the years ended June 30, 2024 and 2023, respectively.

Note 12. Employee Benefit Plans

The Organization offers a Section 403(b) plan to all eligible employees. Employees are eligible to participate at employment. Under the terms of the plan, after completing twelve (12) months of service, the Organization matches up to 5% of employee contributions. The Organization contributed \$241,015 and \$238,474 for the years ended June 30, 2024 and 2023, respectively.

Note 13. Fair Value of Financial Instruments

The following methods and assumptions were used by the Organization in estimating the fair value of its financial instruments:

Current Assets and Liabilities: The Organization considers the carrying amounts of financial instruments classified as current assets and liabilities to be a reasonable estimate of their fair values.

Investments: The fair values of the Organization's marketable equity securities are based on quoted market prices in an active market. The carrying amounts of other investments approximate fair value. See Note 14 for further details.

Long-Term Debt: When practicable to estimate, the fair values of the Organization's long-term financial instruments are based on (a) currently traded values of similar financial instruments, or (b) discounted cash flow methodologies utilizing currently available borrowing rates.

Note 14. Fair Value Measurements

The fair value measurements are based on a framework that provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 14. Fair Value Measurements (Continued)

The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

A description of the valuation methodologies used for assets measured at fair value is as follows:

- Money market funds, equity funds, common stocks, corporate bonds, fixed income funds, government bonds, government agencies, and real estate funds, when present, are valued at the closing price reported on the active market on which the individual securities are traded.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 14. Fair Value Measurements (Continued)

The following tables set forth, by level within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2024 and 2023:

June 30, 2024	Level 1	Level 2	Level 3	Total
Money Market Funds	\$ 41,135	\$ 538,010	\$ -	\$ 579,145
Equity Funds	5,043,475	3,628	-	5,047,103
Common Stocks	723,005	-	-	723,005
Corporate Bonds	748,181	-	-	748,181
Fixed Income Funds	366,133	-	-	366,133
Government Bonds	60,932	-	-	60,932
Government Agencies	98,227	-	-	98,227
Real Estate Funds	91,657	76,544	-	168,201
Investments, at Fair Value	<u>\$ 7,172,745</u>	<u>\$ 618,182</u>	<u>\$ -</u>	<u>\$ 7,790,927</u>
June 30, 2023	Level 1	Level 2	Level 3	Total
Money Market Funds	\$ 977,786	\$ -	\$ -	\$ 977,786
Equity Funds	6,697,219	-	-	6,697,219
Common Stocks	616,124	-	-	616,124
Corporate Bonds	1,051,217	-	-	1,051,217
Fixed Income Funds	110,544	-	-	110,544
Government Bonds	118,908	-	-	118,908
Government Agencies	134,262	-	-	134,262
Real Estate Funds	276,016	-	-	276,016
Investments, at Fair Value	<u>\$ 9,982,076</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,982,076</u>

Note 15. Commitments and Contingencies

The Organization receives fees and grants from federal, state, and local governmental agencies. The programs sponsored by these agencies are subject to discretionary audits by the granting agencies. Any adjustments from an audit performed by a granting agency would flow through the financial statements during the year of the audit as a change in accounting estimate.

The Organization is a defendant in various lawsuits. However, in the opinion of management, based on consultation with legal counsel, the amount of potential loss, if any, will not materially impact these financial statements.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 15. Commitments and Contingencies (Continued)

VOA Development 2, Inc. entered into a contract with a construction company totaling \$4.6 million in May 2024. As of June 30, 2024, no work on the project had started.

RNDC entered into several contracts with construction companies totaling \$28.2 million and \$38.7 million, for 2024 and 2023, respectively. At June 30, 2024 and 2023, the amount remaining on the contracts totaled \$9,036,326 and \$38,722,343, respectively. Included in other current liabilities is retainage due to these construction companies totaling \$1,565,218 and \$1,884,431 as of June 30, 2024 and 2023, respectively.

Note 16. Net Assets With Donor Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30, 2024 and 2023:

	2024	2023
Expiration of Purpose and Time Restrictions		
Tolmas Charitable Trust Pledge	\$ 100,000	\$ 100,000
Satisfaction of Purpose Restrictions		
Community Living Services Grant	-	265,900
Repairs on Wheels Grant	-	2,436
Adoption	18,750	44,513
Fresh Food Factor	-	50,000
Supportive Living Services Grant	41,300	144,890
Veterans Program Grant	2,522	4,100
Supportive Services	-	273
Strategic Initiatives	-	400,000
Mentoring Children of Promise	45,746	144,010
Total Net Assets Released From Restrictions	\$ 208,318	\$ 1,156,122

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 16. Net Assets With Donor Restrictions (Continued)

At June 30, 2024 and 2023, net assets with donor restrictions comprised of donor-imposed stipulations that expire when the purpose restriction and the passage of time is accomplished, were as follows:

	2024	2023
With Donor Restrictions - Purpose and Time		
Tolmas Charitable Trust Pledge	\$ 368,753	\$ 451,941
With Donor Restrictions - Purpose		
Repairs on Wheels Grant	3,570	3,570
Adoption	140,875	105,025
Supportive Living Services Grant	9,122	25,423
Veterans Program Grant	32,268	34,790
Supportive Services	25,000	25,000
Strategic Initiatives	1,213,145	1,213,145
Mentoring Children of Promise	86,424	32,423
Total Net Assets With Donor Restrictions as to Purpose and Time	\$ 1,879,157	\$ 1,891,317

Note 17. Changes in Consolidated Net Assets

Changes in consolidated net assets that are attributable to VOASELA and the non-controlling interests in subsidiaries are as follows:

	Attributable to VOASELA	Attributable to Non- Controlling Interests	Total Net Assets
Balance, June 30, 2022	\$ 35,946,489	\$ 45,299,183	\$ 81,245,672
Change in Net Assets from Operations and Other Activities	4,709,837	(2,200,905)	2,508,932
Other Changes in Net Assets	-	8,887,724	8,887,724
Balance, June 30, 2023	40,656,326	51,986,002	92,642,328
Change in Net Assets from Operations and Other Activities	(149,536)	(5,544,392)	(5,693,928)
Other Changes in Net Assets	-	9,626,513	9,626,513
Balance, June 30, 2024	\$ 40,506,790	\$ 56,068,123	\$ 96,574,913

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 18. Other Changes in Net Assets

Other changes in net assets primarily consist of amounts related to distributions and contributions for the years ended June 30, 2024 and 2023.

Note 19. Contributed Non-Financial Assets

For the years ended June 30, 2024 and 2023, contributed nonfinancial assets recognized within the consolidated statements of activities include:

	2024	2023
Furnishings and Art	\$ 112,176	\$ -
Vehicles	75,000	54,450
Food	52,561	79,788
Miscellaneous	758	-
	<u>\$ 240,495</u>	<u>\$ 134,238</u>

VOASELA recognized contributed nonfinancial assets within revenue, including contributed furnishings and art, vehicles, food and miscellaneous items. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

It is VOASELA's policy to sell contributed vehicles immediately upon receipt at auction or for salvage. No vehicles received during the period were restricted for use. All vehicles were initially recorded based on historical average values for non-running vehicles, running vehicles and above average vehicles. The vehicles sold and the gain or loss on the sale is recorded according to the actual cash proceeds.

Contributed furnishings and art, food and miscellaneous items were valued using estimated average U.S. prices of identical or similar products or services using pricing data of similar products or services under a "like-kind" methodology, considering the utility of the goods or services at the time of the contribution.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 20. Concentration of Credit Risk

The Organization maintains deposits in financial institutions that at times exceed the insured amount of \$250,000 by the U.S. Federal Deposit Insurance Corporation (FDIC). The Organization believes it is not exposed to any significant credit risk to cash.

At June 30, 2024 and 2023, the Organization had \$7,340,000 and \$3,300,726, respectively, in excess of the FDIC insured limit.

Note 21. Income Taxes

RNDC has income tax net operating loss carryforwards related to Millennium Properties, Inc. A deferred tax asset totaling \$291,446 and \$289,237, as of June 30, 2024 and 2023, respectively, reflects the benefit of approximately \$1.2 million available for carryforward to future years. These operating losses begin to expire in 2035.

In assessing the realizability of deferred tax assets, management considers whether it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carryback and carryforward periods), projected future taxable income, and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, management believes it is more-likely-than-not that RNDC will realize the benefits of these deductible differences. The amount of the deferred tax asset is considered realizable; however, it could be reduced in the near-term if estimates of future taxable income during the carryforward period are reduced.

A tax benefit of \$2,209 and a tax expense of \$20,648 were recorded for the years ended June 30, 2024 and 2023, respectively.

Note 22. Hurricane Ida

On August 29, 2021, three of RNDC's properties incurred wind and water damage from Hurricane Ida. During the year ended June 30, 2023, insurance proceeds received totaled approximately \$3.7 million. Hurricane related expenses totaled approximately \$1 million, for the year ended June 30, 2023. The net of these is presented on the consolidated statements of activities in other non-operating gains for the year ended June 30, 2023. The three properties recognized a loss on the buildings totaling approximately \$1.9 million which is presented on the consolidated statement of activities in loss from disposal of fixed assets for the year ended June 30, 2023.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

Note 23. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, October 29, 2024, and determined that the following events occurred that require disclosure:

On July 2, 2024, Benoit Townhomes, LLC, a subsidiary of RNDC, entered into a new contract with a construction company totaling \$17.3 million.

On July 17, 2024, VOASELA entered into a Bridge Loan agreement with Home Bank totaling \$1,273,848, maturing July 17, 2026, and a Term Loan agreement with Home Bank totaling \$2,200,000, maturing July 17, 2031.

On August 22, 2024, 1770 Tchoupitoulas, inc. extended its loan with Home Bank to mature on December 27, 2024.

On September 19, 2024, RNDC renewed its line of credit agreement with Home Bank totaling \$1,000,000, maturing September 30, 2026 with an interest rate of 8.5%.

No other subsequent events occurring after October 29, 2024 have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
**Schedule of Compensation, Benefits, and Other Payments
to Agency Head**
For the Year Ended June 30, 2024

Louisiana Revised Statute (R.S.) 24:513(A)(3) as amended by Act 706 of the 2014 Regular Legislative Session requires that the total compensation, reimbursements, and benefits of an agency head or political subdivision head or chief executive officer related to the position, including but not limited to travel, housing, unvouchered expense, per diem, and registration fees, be reported as a supplemental report within the financial statements of local governmental and quasi-public auditees. In 2015, Act 462 of the 2015 Regular Session of the Louisiana Legislature further amended R.S. 24:513(A)(3) to clarify that non-governmental entities or not-for-profit entities that receive public funds shall report only the use of public funds for the expenditures itemized in the supplementary report.

Agency Head

Voris Vigee, President/CEO

Purpose	Compensation and Benefits Funded by Use of Public Funds
Salary	\$213,209
Bonus	\$48,750
Benefits - Insurance	\$5,068
Benefits - Retirement	\$29,998
Benefits - Other	\$693
Car Allowance (Lease, Insurance, Gasoline)	\$9,000
Per Diem	\$0
Reimbursements (Electronic Devices)	\$675
Local Entertainment/Sales	\$0
Registration Fees	\$0
Conference/Sales Mission Travel	\$0
Local Transportation/Parking	\$0
Continuing Professional Education Fees	\$0
Housing	\$0
Unvouchered Expenses	\$0
Dues and Subscriptions	\$313

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Consolidating Statement of Financial Position
June 30, 2024
With Summarized Comparative Information at June 30, 2023

Schedule I

	Consolidated VOASELA, Inc.	Consolidated RNDC	Subtotal	Eliminations	2024 Consolidated	2023 Consolidated
Assets						
Current Assets						
Cash and Cash Equivalents	\$ 7,611,820	\$ 4,378,243	\$ 11,990,063	\$ -	\$ 11,990,063	\$ 5,637,347
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$40,055 at 2024 and \$73,360 at 2023	3,653,979	644,726	4,298,705	(221,863)	4,076,842	5,948,197
Pledges Receivable, Net	475,042	-	475,042	-	475,042	445,423
Prepaid Expenses	794,621	1,334,780	2,129,401	-	2,129,401	1,773,066
Due from Projects in Development	-	261,947	261,947	-	261,947	75,894
Investments	2,750,041	-	2,750,041	-	2,750,041	2,079,239
Other Current Assets	257,711	1,976,717	2,234,428	-	2,234,428	2,196,765
Total Current Assets	15,543,214	8,596,413	24,139,627	(221,863)	23,917,764	18,155,931
Fixed Assets, Net	7,506,455	172,306,218	179,812,673		179,812,673	156,477,054
Other Assets						
Designated and Restricted Deposits	74,749	4,785,004	4,859,753	-	4,859,753	3,956,043
Due from Projects in Development	-	838,709	838,709	-	838,709	838,709
Long-Term Investments	2,973,525	2,067,361	5,040,886	-	5,040,886	7,902,837
Pledges Receivable, Net	671,605	-	671,605	-	671,605	832,885
Notes Receivable and Due from Related Parties	2,364,799	-	2,364,799	(2,364,799)	-	78,042
Investment in Joint Ventures	385,268	-	385,268	-	385,268	420,578
Investment in Subsidiaries	14,367,157	-	14,367,157	(14,367,157)	-	-
Deferred Tax Assets	-	291,446	291,446	-	291,446	289,237
Right-of-Use Assets - Operating Leases	423,787	3,562,381	3,986,168	-	3,986,168	3,384,812
Right-of-Use Assets - Finance Leases	211,017	-	211,017	-	211,017	297,909
Total Other Assets	21,471,907	11,544,901	33,016,808	(16,731,956)	16,284,852	18,001,052
Total Assets	\$ 44,521,576	\$ 192,447,532	\$ 236,969,108	\$ (16,953,819)	\$ 220,015,289	\$ 192,634,037

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Consolidating Statement of Financial Position (Continued)
June 30, 2024
With Summarized Comparative Information at June 30, 2023

Schedule I

	Consolidated VOASELA, Inc.	Consolidated RNDC	Subtotal	Eliminations	2024 Consolidated	2023 Consolidated
Liabilities and Net Assets						
Current Liabilities						
Accounts Payable	\$ 1,210,737	\$ 2,153,223	\$ 3,363,960	\$ (13,674)	\$ 3,350,286	\$ 2,463,791
Lines of Credit	-	-	-	-	-	1,023,832
Mortgages and Notes Payable	785,993	27,175,058	27,961,051	-	27,961,051	14,984,982
Accrued Expenses	1,208,786	918,456	2,127,242	-	2,127,242	1,877,625
Lease Liability - Operating Leases	231,435	23,549	254,984	-	254,984	160,519.00
Lease Liability - Finance Leases	98,325	-	98,325	-	98,325	96,977.00
Other Current Liabilities	25,167	2,097,424	2,122,591	(5,439)	2,117,152	2,523,901
Due to Projects in Development	-	230,622	230,622	-	230,622	585,361
Total Current Liabilities	3,560,443	32,598,332	36,158,775	(19,113)	36,139,662	23,716,988
Other Liabilities						
Due to VOASELA, Inc.	-	2,567,549	2,567,549	(2,567,549)	-	-
Mortgages and Notes Payable, Less Unamortized						
Debt Issuance Costs	155,532	85,714,406	85,869,938	-	85,869,938	75,362,306
Lease Liability - Operating Leases	192,535	1,131,965	1,324,500	-	1,324,500	731,286
Lease Liability - Finance Leases	106,276	-	106,276	-	106,276	181,129
Total Other Liabilities	454,343	89,413,920	89,868,263	(2,567,549)	87,300,714	76,274,721
Total Liabilities	4,014,786	122,012,252	126,027,038	(2,586,662)	123,440,376	99,991,709
Net Assets						
Net Assets Without Donor Restrictions	38,627,633	70,435,280	109,062,913	(14,367,157)	94,695,756	90,751,011
Net Assets With Donor Restrictions	1,879,157	-	1,879,157	-	1,879,157	1,891,317
Total Net Assets	40,506,790	70,435,280	110,942,070	(14,367,157)	96,574,913	92,642,328
Total Liabilities and Net Assets	\$ 44,521,576	\$ 192,447,532	\$ 236,969,108	\$ (16,953,819)	\$ 220,015,289	\$ 192,634,037

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Schedule II

Consolidating Statement of Activities

For the Year Ended June 30, 2024

With Summarized Comparative Information for the Year Ended June 30, 2023

	Consolidated VOASELA, Inc.	Consolidated RNDC	Subtotal	Elimination	2024 Consolidated	2023 Consolidated
Revenues, Support, and Gains						
Without Donor Restrictions						
Public Support Received Directly						
Contributions and Special Events	\$ 1,866,586	\$ -	\$ 1,866,586	\$ -	\$ 1,866,586	\$ 2,122,729
Contributions of Nonfinancial Assets	240,495	-	240,495	-	240,495	134,238
Public Support Received Indirectly						
United Way Allocations	126,356	-	126,356	-	126,356	91,613
Net Assets Released from Restrictions	208,318	-	208,318	-	208,318	1,156,122
Total Public Support	2,441,755	-	2,441,755	-	2,441,755	3,504,702
Revenues and Grants from Governmental Agencies	28,991,792	-	28,991,792	-	28,991,792	26,828,143
Other Revenue						
Program Service Fees	5,329,628	1,171,599	6,501,227	(3,064,786)	3,436,441	7,011,085
Rental Income	214,243	9,674,260	9,888,503	(119,927)	9,768,576	7,803,756
Other Operating Income	204,669	651,959	856,628	(24,000)	832,628	904,629
Total Other Revenue	5,748,540	11,497,818	17,246,358	(3,208,713)	14,037,645	15,719,470
Total Revenue, Support, and Gains Without Donor Restrictions	37,182,087	11,497,818	48,679,905	(3,208,713)	45,471,192	46,052,315

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Schedule II

Consolidating Statement of Activities (Continued)

For the Year Ended June 30, 2024

With Summarized Comparative Information for the Year Ended June 30, 2023

	Consolidated VOASELA, Inc.	Consolidated RNDC	Subtotal	Elimination	2024 Consolidated	2023 Consolidated
Operating Expenses						
Program Services						
Encouraging Positive Development	2,772,539	-	2,772,539	-	2,772,539	5,376,667
Fostering Independence	11,075,694	-	11,075,694	-	11,075,694	10,026,550
Promoting Self-Sufficiency	17,431,337	16,270,724	33,702,061	(1,815,638)	31,886,423	26,171,585
Total Program Services	31,279,570	16,270,724	47,550,294	(1,815,638)	45,734,656	41,574,802
Supporting Services						
Management and General	4,915,375	2,269,278	7,184,653	(1,414,975)	5,769,678	5,505,973
Fundraising	1,142,521	-	1,142,521	-	1,142,521	1,242,589
Total Supporting Services	6,057,896	2,269,278	8,327,174	(1,414,975)	6,912,199	6,748,562
Total Operating Expenses	37,337,466	18,540,002	55,877,468	(3,230,613)	52,646,855	48,323,364
(Deficit) Surplus from Operations	(155,379)	(7,042,184)	(7,197,563)	21,900	(7,175,663)	(2,271,049)

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Schedule II

Consolidating Statement of Activities (Continued)

For the Year Ended June 30, 2024

With Summarized Comparative Information for the Year Ended June 30, 2023

	Consolidated VOASELA, Inc.	Consolidated RNDC	Subtotal	Elimination	2024 Consolidated	2023 Consolidated
Other Activities						
Loss on Disposition of Assets	-	-	-	-	-	(9,950)
Net Investment Return (Loss)	875,215	307,049	1,182,264	(21,901)	1,160,363	900,912
Income Tax Benefit (Expense)	-	2,209	2,209	-	2,209	(20,648)
Income from Investment in Subsidiaries	(1,105,658)	-	(1,105,658)	1,105,658	-	-
Other Non-Operating Gains	248,446	82,877	331,323	-	331,323	3,063,460
Surplus from Other Activities	18,003	392,135	410,138	1,083,757	1,493,895	3,933,774
Change in Net Assets	(137,376)	(6,650,049)	(6,787,425)	1,105,657	(5,681,768)	1,662,725
Other Changes in Net Assets	-	9,626,513	9,626,513	-	9,626,513	8,887,724
Change in Net Assets Without Donor Restrictions	(137,376)	2,976,464	2,839,088	1,105,657	3,944,745	10,550,449
Net Assets With Donor Restrictions						
Public Support Received Directly						
Contributions and Special Events	196,158	-	196,158	-	196,158	2,002,329
Net Assets Released from Restrictions	(208,318)	-	(208,318)	-	(208,318)	(1,156,122)
Change in Net Assets With Donor Restrictions	(12,160)	-	(12,160)	-	(12,160)	846,207
Total Change in Net Assets	(149,536)	2,976,464	2,826,928	1,105,657	3,932,585	11,396,656
Net Assets, Beginning of Year	40,656,326	67,458,816	108,115,142	(15,472,814)	92,642,328	81,245,672
Net Assets, End of Year	\$ 40,506,790	\$ 70,435,280	\$ 110,942,070	\$ (14,367,157)	\$ 96,574,913	\$ 92,642,328

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Schedule III

Consolidating Statement of Functional Expenses

For the Year Ended June 30, 2024

With Summarized Comparative Information for the Year Ended June 30, 2023

	Consolidated VOASELA, Inc.	Consolidated RNDC	Subtotal	Eliminations	2024 Consolidated	2023 Consolidated
Salaries and Wages	\$ 18,760,732	\$ -	\$ 18,760,732	\$ -	\$ 18,760,732	\$ 17,990,236
Employee Benefits	2,805,264	-	2,805,264	-	2,805,264	2,573,329
Professional Services	6,239,617	5,720,148	11,959,765	(2,368,873)	9,590,892	8,263,974
Occupancy	2,191,834	1,759,994	3,951,828	(124,213)	3,827,615	3,059,877
Specific Assistance to Individuals	3,194,551	-	3,194,551	-	3,194,551	3,255,781
Program Supplies and Equipment	1,696,803	2,448,294	4,145,097	(651,325)	3,493,772	4,387,166
Office Supplies and Expenses	380,692	119,025	499,717	(7,908)	491,809	534,272
Travel, Conferences, and Meetings	651,598	50,755	702,353	(17,467)	684,886	584,884
Depreciation and Amortization	669,512	5,471,842	6,141,354	-	6,141,354	5,165,733
Interest	40,020	2,561,917	2,601,937	(21,900)	2,580,037	1,273,038
Other	706,843	408,027	1,114,870	(38,927)	1,075,943	1,235,074
Total	\$ 37,337,466	\$ 18,540,002	\$ 55,877,468	\$ (3,230,613)	\$ 52,646,855	\$ 48,323,364

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Consolidating Statement of Financial Position - VOASELA, Inc.
June 30, 2024
With Summarized Comparative Information at June 30, 2023

Schedule IV

	VOASELA, Inc.	Consolidated VOA Development, Inc.	Subtotal	Eliminations	2024 Consolidated	2023 Consolidated
Assets						
Current Assets						
Cash and Cash Equivalents	\$ 7,552,972	\$ 58,848	\$ 7,611,820	\$ -	\$ 7,611,820	\$ 2,906,499
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$40,055 at 2024 and \$73,360 at 2023	3,651,980	1,999	3,653,979	-	3,653,979	4,052,631
Pledges Receivable, Net	475,042	-	475,042	-	475,042	445,423
Accounts Receivable, Limited Partnerships	741,661	-	741,661	(741,661)	-	-
Interest Receivable, VOA Development	29,793	-	29,793	(29,793)	-	-
Notes Receivable, VOA Development	176,439	-	176,439	(176,439)	-	-
Prepaid Expenses	794,621	-	794,621	-	794,621	749,649
Investments	2,750,041	-	2,750,041	-	2,750,041	2,079,239
Other Current Assets	235,590	22,121	257,711	-	257,711	358,416
Total Current Assets	16,408,139	82,968	16,491,107	(947,893)	15,543,214	10,591,857
Fixed Assets, Net	4,834,753	2,671,702	7,506,455	-	7,506,455	7,327,611
Other Assets						
Designated and Restricted Deposits	155,897	7,318	163,215	(88,466)	74,749	124,480
Long-Term Investments	2,973,525	-	2,973,525	-	2,973,525	6,038,371
Pledges Receivable, Net	671,605	-	671,605	-	671,605	832,885
Notes Receivable and Due from Related Parties	2,364,799	-	2,364,799	-	2,364,799	3,213,136
Investment in Joint Ventures	385,268	-	385,268	-	385,268	420,578
Investment in Subsidiaries	16,114,420	-	16,114,420	(1,747,263)	14,367,157	15,472,815
Right-of-Use Assets - Operating Leases	423,787	-	423,787	-	423,787	265,582
Right-of-Use Assets - Finance Leases	211,017	-	211,017	-	211,017	297,909
Total Other Assets	23,300,318	7,318	23,307,636	(1,835,729)	21,471,907	26,665,756
Total Assets	\$ 44,543,210	\$ 2,761,988	\$ 47,305,198	\$ (2,783,622)	\$ 44,521,576	\$ 44,585,224

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Schedule IV

Consolidating Statement of Financial Position - VOASELA, Inc. (Continued)

June 30, 2024

With Summarized Comparative Information at June 30, 2023

	Consolidated VOA				2024	2023
	VOASELA, Inc.	Development, Inc.	Subtotal	Eliminations	Consolidated	Consolidated
Liabilities and Net Assets						
Current Liabilities						
Accounts Payable	\$ 1,275,642	\$ 18,633	\$ 1,294,275	\$ (83,538)	\$ 1,210,737	\$ 1,448,708
Accounts Payable, VOASELA, Inc.	-	746,589	746,589	(746,589)	-	-
Mortgages and Notes Payable	785,993	-	785,993	-	785,993	669,244
Note Payable, VOASELA, Inc.	-	176,439	176,439	(176,439)	-	-
Interest Payable, VOASELA, Inc.	-	29,793	29,793	(29,793)	-	-
Accrued Expenses	1,181,490	27,296	1,208,786	-	1,208,786	915,754
Lease Liability - Operating Leases	231,435	-	231,435	-	231,435	141,132
Lease Liability - Finance Leases	98,325	-	98,325	-	98,325	96,977
Other Current Liabilities	9,192	15,975	25,167	-	25,167	134,000
Total Current Liabilities	3,582,077	1,014,725	4,596,802	(1,036,359)	3,560,443	3,405,815
Other Liabilities						
Mortgages and Notes Payable, Less Unamortized Debt Issuance Costs	155,532	-	155,532	-	155,532	218,515
Lease Liability - Operating Leases	192,535	-	192,535	-	192,535	123,439
Lease Liability - Finance Leases	106,276	-	106,276	-	106,276	181,129
Total Other Liabilities	454,343	-	454,343	-	454,343	523,083
Total Liabilities	4,036,420	1,014,725	5,051,145	(1,036,359)	4,014,786	3,928,898
Net Assets						
Net Assets Without Donor Restrictions	38,627,633	1,747,263	40,374,896	(1,747,263)	38,627,633	38,765,009
Net Assets With Donor Restrictions	1,879,157	-	1,879,157	-	1,879,157	1,891,317
Total Net Assets	40,506,790	1,747,263	42,254,053	(1,747,263)	40,506,790	40,656,326
Total Liabilities and Net Assets	\$ 44,543,210	\$ 2,761,988	\$ 47,305,198	\$ (2,783,622)	\$ 44,521,576	\$ 44,585,224

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Schedule V

Consolidating Statement of Activities - VOASELA, Inc.

For the Year Ended June 30, 2024

With Summarized Comparative Information for the Year Ended June 30, 2023

	VOASELA, Inc.	Consolidated VOA Development, Inc.	Subtotal	Eliminations	2024 Consolidated	2023 Consolidated
Revenue, Support, and Gains						
Without Donor Restrictions						
Public Support Received Directly						
Contributions and Special Events	\$ 1,866,586	\$ -	\$ 1,866,586	\$ -	\$ 1,866,586	\$ 2,122,729
Contributions of Nonfinancial Assets	240,495	-	240,495	-	240,495	134,238
Public Support Received Indirectly						
United Way Allocations	126,356	-	126,356	-	126,356	91,613
Net Assets Released from Restrictions	208,318	-	208,318	-	208,318	1,156,122
Total Public Support	2,441,755	-	2,441,755	-	2,441,755	3,504,702
Revenues and Grants from Governmental Agencies	28,559,677	432,115	28,991,792	-	28,991,792	26,828,143
Other Revenue						
Program Service Fees	5,827,466	-	5,827,466	(497,838)	5,329,628	6,829,406
Rental Income	-	214,243	214,243	-	214,243	154,332
Other Operating Income	1,836	203,350	205,186	(517)	204,669	14,432
Total Other Revenue	5,829,302	417,593	6,246,895	(498,355)	5,748,540	6,998,170
Total Revenue, Support, and Gains Without Donor Restrictions	36,830,734	849,708	37,680,442	(498,355)	37,182,087	37,331,015

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Schedule V

Consolidating Statement of Activities - VOASELA, Inc. (Continued)

For the Year Ended June 30, 2024

With Summarized Comparative Information for the Year Ended June 30, 2023

	VOASELA, Inc.	Consolidated VOA Development, Inc.	Subtotal	Eliminations	2024 Consolidated	2023 Consolidated
Operating Expenses						
Program Services						
Encouraging Positive Development	2,772,539	-	2,772,539	-	2,772,539	5,376,667
Fostering Independence	11,075,694	-	11,075,694	-	11,075,694	10,026,550
Promoting Self-Sufficiency	17,171,122	775,972	17,947,094	(515,757)	17,431,337	16,169,084
Total Program Services	31,019,355	775,972	31,795,327	(515,757)	31,279,570	31,572,301
Supporting Services						
Management and General	4,915,375	-	4,915,375	-	4,915,375	4,678,653
Fundraising	1,142,521	-	1,142,521	-	1,142,521	1,242,589
Total Supporting Services	6,057,896	-	6,057,896	-	6,057,896	5,921,242
Total Operating Expenses	37,077,251	775,972	37,853,223	(515,757)	37,337,466	37,493,543
(Deficit) Surplus from Operations	(246,517)	73,736	(172,781)	17,402	(155,379)	(162,528)

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Consolidating Statement of Activities - VOASELA, Inc. (Continued)
For the Year Ended June 30, 2024
With Summarized Comparative Information for the Year Ended June 30, 2023

Schedule V

	VOASELA, Inc.	Consolidated VOA Development, Inc.	Subtotal	Eliminations	2024 Consolidated	2023 Consolidated
Other Activities						
Loss on Disposition of Assets	-	-	-	-	-	(10,708)
Net Investment Return	892,617	-	892,617	(17,402)	875,215	658,532
Income from Investment in Subsidiaries	(1,031,922)	-	(1,031,922)	(73,736)	(1,105,658)	3,042,917
Other Non-Operating Gains	248,446	-	248,446	-	248,446	335,417
Surplus (Deficit) from Other Activities	109,141	-	109,141	(91,138)	18,003	4,026,158
Change in Net Assets Without Donor Restrictions	(137,376)	73,736	(63,640)	(73,736)	(137,376)	3,863,630
Net Assets With Donor Restrictions						
Public Support Received Directly						
Contributions and Special Events	196,158	-	196,158	-	196,158	2,002,329
Net Assets Released from Restrictions	(208,318)	-	(208,318)	-	(208,318)	(1,156,122)
Change in Net Assets With Donor Restrictions	(12,160)	-	(12,160)	-	(12,160)	846,207
Total Change in Net Assets	(149,536)	73,736	(75,800)	(73,736)	(149,536)	4,709,837
Net Assets, Beginning of Year	40,656,326	1,673,527	42,329,853	(1,673,527)	40,656,326	35,946,489
Net Assets, End of Year	\$ 40,506,790	\$ 1,747,263	\$ 42,254,053	\$ (1,747,263)	\$ 40,506,790	\$ 40,656,326

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Consolidating Statement of Functional Expenses - VOASELA, Inc.
For the Year Ended June 30, 2024

Schedule VI

With Summarized Comparative Information for the Year Ended June 30, 2023

	VOASELA, Inc.	Consolidated VOA Development, Inc.	Subtotal	Eliminations	2024 Consolidated	2023 Consolidated
Salaries and Wages	\$ 18,992,783	\$ -	\$ 18,992,783	\$ (232,051)	\$ 18,760,732	\$ 17,990,236
Employee Benefits	2,837,694	-	2,837,694	(32,430)	2,805,264	2,573,329
Professional Services	6,053,105	312,330	6,365,435	(125,818)	6,239,617	5,805,569
Occupancy	1,879,869	350,570	2,230,439	(38,605)	2,191,834	2,332,338
Specific Assistance	3,259,291	-	3,259,291	(64,740)	3,194,551	3,255,781
Program Supplies and Equipment	1,645,193	54,132	1,699,325	(2,522)	1,696,803	2,884,837
Office Supplies and Expenses	374,938	7,287	382,225	(1,533)	380,692	439,206
Travel, Conferences, and Meetings	651,949	305	652,254	(656)	651,598	548,392
Depreciation and Amortization	639,203	30,309	669,512	-	669,512	662,648
Interest	40,020	17,402	57,422	(17,402)	40,020	35,472
Other	703,206	3,637	706,843	-	706,843	965,735
Total	\$ 37,077,251	\$ 775,972	\$ 37,853,223	\$ (515,757)	\$ 37,337,466	\$ 37,493,543

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Consolidating Statement of Financial Position - VOA Development, Inc.
June 30, 2024
With Summarized Comparative Information at June 30, 2023

Schedule VII

	VOA Development, Inc.	VOA Development 2, Inc.	2024 Consolidated	2023 Consolidated
Assets				
Current Assets				
Cash and Cash Equivalents	\$ 3,422	\$ 55,426	\$ 58,848	\$ 409,006
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$5,173 at 2024 and \$17,400 at 2023	1,999	-	1,999	20,954
Other Current Assets	5,926	16,195	22,121	22,121
Total Current Assets	11,347	71,621	82,968	452,081
Fixed Assets, Net	865,167	1,806,535	2,671,702	2,094,196
Other Assets				
Designated and Restricted Deposits	7,318	-	7,318	6,451
Total Other Assets	7,318	-	7,318	6,451
Total Assets	\$ 883,832	\$ 1,878,156	\$ 2,761,988	\$ 2,552,728

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Schedule VII

Consolidating Statement of Financial Position - VOA Development, Inc. (Continued)

June 30, 2024

With Summarized Comparative Information at June 30, 2023

	VOA Development, Inc.	VOA Development 2, Inc.	2024 Consolidated	2023 Consolidated
Liabilities and Net Assets				
Current Liabilities				
Accounts Payable	\$ 17,033	\$ 1,600	\$ 18,633	\$ 20,900
Accounts Payable - VOASELA, Inc.	698,705	47,884	746,589	628,608
Note Payable - VOASELA, Inc.	176,439	-	176,439	176,439
Interest Payable - VOASELA, Inc.	29,793	-	29,793	12,391
Accrued Expenses	27,296	-	27,296	27,387
Other Current Liabilities	15,160	815	15,975	13,476
Total Current Liabilities	964,426	50,299	1,014,725	879,201
Total Liabilities	964,426	50,299	1,014,725	879,201
Net Assets				
Net Assets Without Donor Restrictions	(80,594)	1,827,857	1,747,263	1,673,527
Total Net Assets	(80,594)	1,827,857	1,747,263	1,673,527
Total Liabilities and Net Assets	\$ 883,832	\$ 1,878,156	\$ 2,761,988	\$ 2,552,728

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Schedule VIII

Consolidating Statement of Activities - VOA Development, Inc.

For the Year Ended June 30, 2024

With Summarized Comparative Information for the Year Ended June 30, 2023

	VOA Development, Inc.	VOA Development 2, Inc.	2024 Consolidated	2023 Consolidated
Net Assets Without Donor Restrictions				
Revenue, Support, and Gains				
Without Donor Restrictions				
Revenues and Grants from Governmental Agencies	\$ 394,707	\$ 37,408	\$ 432,115	\$ 408,514
Other Revenue				
Rental Income	214,243	-	214,243	154,332
Other Operating Income	22,536	180,814	203,350	413,051
Total Other Revenue	236,779	180,814	417,593	567,383
Total Revenue, Support, and Gains Without Donor Restrictions	631,486	218,222	849,708	975,897

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Schedule VIII

Consolidating Statement of Activities - VOA Development, Inc. (Continued)

For the Year Ended June 30, 2024

With Summarized Comparative Information for the Year Ended June 30, 2023

	VOA Development, Inc.	VOA Development 2, Inc.	2024 Consolidated	2023 Consolidated
Operating Expenses				
Program Services				
Promoting Self-Sufficiency	773,660	2,312	775,972	958,015
Total Program Services	773,660	2,312	775,972	958,015
Total Operating Expenses	773,660	2,312	775,972	958,015
(Deficit) Surplus from Operations	(142,174)	215,910	73,736	17,882
Other Activities				
Cancellation of Debt	-	-	-	2,444,711
Surplus from Other Activities	-	-	-	2,444,711
Change in Net Assets Without Donor Restrictions	(142,174)	215,910	73,736	2,462,593
Total Change in Net Assets	(142,174)	215,910	73,736	2,462,593
Net Assets, Beginning of Year	61,580	1,611,947	1,673,527	(789,066)
Net Assets, End of Year	<u>\$ (80,594)</u>	<u>\$ 1,827,857</u>	<u>\$ 1,747,263</u>	<u>\$ 1,673,527</u>

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Schedule IX

Consolidating Statement of Functional Expenses - VOA Development, Inc.

For the Year Ended June 30, 2024

With Summarized Comparative Information for the Year Ended June 30, 2023

	VOA Development, Inc.	VOA Development 2, Inc.	2024 Consolidated	2023 Consolidated
Professional Services	\$ 312,236	\$ 94	\$ 312,330	\$ 407,910
Occupancy	349,926	644	350,570	419,098
Program Supplies and Equipment	54,132	-	54,132	50,836
Office Supplies and Expenses	6,528	759	7,287	13,727
Travel, Conferences, and Meetings	305	-	305	381
Depreciation and Amortization	30,309	-	30,309	52,298
Interest	17,402	-	17,402	-
Other	2,822	815	3,637	13,765
Total	\$ 773,660	\$ 2,312	\$ 775,972	\$ 958,015

See independent auditor's report.

**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**

Independent Auditor's Report

To the Board of Directors
Volunteers of America Southeast Louisiana, Inc. and Subsidiaries
New Orleans, Louisiana

We have audited, 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, the consolidated financial statements of Volunteers of America Southeast Louisiana, Inc. and Subsidiaries (the Organization), which comprise the consolidated statement of financial position as of June 30, 2024, 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 October 29, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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 the Organization'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 consolidated 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 Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity'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.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Covington, LA
October 29, 2024

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Schedule of Findings and Responses
For the Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

- | | | |
|----|---|---------------|
| 1. | Type of auditors' report issued: | Unmodified |
| 2. | Internal control over financial reporting: | |
| | a. Material weaknesses identified? | No |
| | b. Significant deficiencies identified? | None Reported |
| 3. | Noncompliance material to the financial statements noted? | No |

Section II - Financial Statement Findings

None.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES
Schedule of Prior Audit Findings
For the Year Ended June 30, 2024**

None.

**VOLUNTEERS OF AMERICA
SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**

Single Audit Report

For the Year Ended June 30, 2024



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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

To the Board of Directors
Volunteers of America Southeast Louisiana, Inc. and Subsidiaries

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Volunteers of America Southeast Louisiana, Inc. and Subsidiaries (the Organization) 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 the Organization's major federal programs for the year ended June 30, 2024. The Organization'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, the Organization complied, in all material respects, with the 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 the Organization 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 the Organization'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 the Organization'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 the Organization'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 GAAS, *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 the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess 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 the Organization'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 the Organization'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 the Organization'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.

Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance

We have audited the consolidated financial statements of the Organization as of and for the year ended June 30, 2024, and have issued our report thereon dated October 29, 2024, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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 federal awards is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script, appearing to read "LaForte".

A Professional Accounting Corporation

Covington, LA
December 10, 2024

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

FEDERAL GRANTOR/ PASS-THROUGH AGENCY/ PROGRAM TITLE	Federal Assistance Listing Number	Agency Number	Federal Expenditures	Pass-Through to Subrecipients
U.S. Department of Housing and Urban Development				
Direct Programs:				
Continuum of Care Program	14.267	LA0255L6H062005, LA0255L6H062106	\$ 267,350	\$ -
Continuum of Care Program	14.267	LA0121L6H062014	1,045,568	-
Continuum of Care Program	14.267	LA0350L6H062001, LA0350L62102	252,459	-
Continuum of Care Program	14.267	LA0076L6H032113	1,125,622	-
Passed through UNITY for the Homeless:				
Continuum of Care Program	14.267	Unity PASS THROUGH	106,143	-
			<u>2,797,142</u>	<u>-</u>
Passed through New Orleans Housing Authority:				
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249	LA001SC0001, LA001SR001	394,707	-
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249	LA001SR002	37,408	-
			<u>432,115</u>	<u>-</u>
Direct Programs:				
Section 8 Housing Assistance Payments Program	14.195	LA480000001	83,850	-
Section 8 Housing Assistance Payments Program	14.195	LA480000002	78,553	-
			<u>162,403</u>	<u>-</u>
Passed through Volunteers of America, Inc.:				
Multifamily Housing Service Coordinators	14.191	MFSC189849	114,968	-
Passed through State of Louisiana:				
Community Development Block Grant	14.218	735481	313,094	-
Passed through City of Kenner:				
Community Development Block Grant	14.218	B-13-MC-22008	43,393	-
Passed through Parish of Jefferson:				
Community Development Block Grant	14.218	21280-1176-139-7454-82118-001	733,660	-
			<u>733,660</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development			<u>4,596,775</u>	<u>-</u>
U.S. Department of Labor				
Direct Programs:				
Reentry Employment Opportunities	17.270	YF-39534-23-60-A22	340,105	-
Total U.S. Department of Labor			<u>340,105</u>	<u>-</u>

See notes to schedule of expenditures of federal awards.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2024

FEDERAL GRANTOR/ PASS-THROUGH AGENCY/ PROGRAM TITLE	Federal Assistance Listing Number	Agency Number	Federal Expenditures	Pass-Through to Subrecipients
U.S. Department of Veteran Affairs				
Direct Programs:				
Homeless Providers Grant and Per Diem Program	64.024	VOAN750-1463-629-PD-21	711,178	-
Homeless Providers Grant and Per Diem Program	64.024	VA 36C25620D0002	18,580	-
Homeless Providers Grant and Per Diem Program	64.024	VA 36C25620D0004	23,107	-
Homeless Providers Grant and Per Diem Program	64.024	VOAN750-1463-629-PD-21	395,215	-
Homeless Providers Grant and Per Diem Program	64.024	VOAN750-2224-629-CM-22	111,781	-
			<u>1,259,861</u>	<u>-</u>
Supportive Services for Veteran Families Program	64.033	2012-LA-038SS	3,998,151	2,100,669
COVID-19, Supportive Services for Veteran Families Program	64.033	2012-LA-038-23	915,072	-
			<u>4,913,223</u>	<u>2,100,669</u>
Total U.S. Department of Veteran Affairs			<u>6,173,084</u>	<u>2,100,669</u>
U.S. Department of Health and Human Services				
Direct Programs:				
Enhance Safety of Children Affected by Substance Abuse	93.087	90CU0122-02-00	694,063	-
Special Projects of National Significance	93.928	6 U90HA39767-02-02	200,223	-
Passed through State of Louisiana:				
HIV Care Formula Grant	93.917	2000599162	1,190,984	-
Passed through Florida Parishes Human Services Authority:				
Opioid STR	93.788	N/A	90,142	-
Passed through Florida Parishes Human Services Authority:				
Block Grants for Community Mental Health Services	93.958	PO 2000669971	80,142	-
Passed through DHH for Children and Families				
Competitive Abstinence Education	93.060	90R0075-01-01	70,689	-
Direct Programs:				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SM084849-01	398,586	-
Passed through Substance Abuse Mental Health Administration				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79TI082417, 5H79TI082417, 1H79SP082125, 6H79SP082125	<u>749,296</u>	<u>-</u>
Total U.S. Department of Health and Human Services			<u>3,474,125</u>	<u>-</u>
Corporation for National and Community Service				
Direct Programs:				
Retired and Senior Volunteer Program	94.002	22SRGLA001	<u>104,214</u>	<u>-</u>
Total Corporation for National and Community Service			<u>104,214</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 14,688,303</u>	<u>\$ 2,100,669</u>

See notes to schedule of expenditures of federal awards.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES**
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Volunteers of America Southeast Louisiana, Inc. and Subsidiaries under programs of the federal government for the year ended June 30, 2024. The information in the Schedule is presented 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* (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, changes in net assets, or cash flows of the Organization.

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 are not allowable or are limited as to reimbursement.

Note 3. De Minimis Cost Rate

The Organization uses indirect cost rates negotiated and approved by the grant awarding agencies and has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? No
- Significant deficiencies identified? None Reported

Noncompliance material to the financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weaknesses identified? No
- Significant deficiencies identified? None Reported

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 200.516(a)? No

Identification of major programs:

<u>AL Number</u>	<u>Name of Federal Program</u>
14.218	Community Development Block Grant
64.033	Supportive Services for Veteran Families Program
93.087	Enhance Safety of Children Affected by Substance Abuse

Dollar threshold used to distinguish between Type A and B programs: \$750,000

Auditee qualified as low-risk auditee? Yes

Section II. Findings - Financial Statement Audit

None.

Section III. Findings and Questioned Costs - Major Federal Award Programs Audit

None.

**VOLUNTEERS OF AMERICA SOUTHEAST LOUISIANA, INC.
AND SUBSIDIARIES
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2024**

None.

AGREED-UPON PROCEDURES REPORT

Volunteers of America Southeast Louisiana, Inc. and Subsidiaries

Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period July 1, 2023 - June 30, 2024

To the Board of Directors
Volunteers of America Southeast Louisiana, Inc. and Subsidiaries
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 Southeast Louisiana, Inc. and Subsidiaries' (the Organization) management is responsible for those C/C areas identified in the SAUPs.

Volunteers of America Southeast Louisiana, Inc. and Subsidiaries 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 the LLA's SAUPs for the fiscal period July 1, 2023 through June 30, 2024. Additionally, the 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 findings are as follows:

1) Written Policies and Procedures

- A. 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:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - ii. **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.
 - iii. **Disbursements**, including processing, reviewing, and approving.

- iv. **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).
- v. **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.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **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).
- ix. **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.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **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.
- xii. **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: No exceptions were noted as a result of these procedures. The Organization has determined that the Budgeting (i), Receipts/Collections (iv), Ethics (ix), Debt Service (x) and Prevention of Sexual Harassment (xii) functions were not applicable.

2) **Board or Finance Committee**

- A. 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:
 - i. 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.

- ii. 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, 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.*
- iii. 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.
- iv. 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: No exceptions were noted as a result of these procedures.

3) Bank Reconciliations

- A. 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:
 - i. 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);
 - ii. 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, electronically logged); and
 - iii. 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 noted as a result of performing procedure #3A(iii). Exceptions were noted for procedures #3A(i, ii). None of the bank reconciliations tested were prepared within two months of the related statement's closing date, nor did they include written evidence of review within one month of the reconciliation's preparation date.

Management's Response: During fiscal year 2024, VOASELA transitioned to a new accounting system. As part of this process, all bank reconciliations were completed and re-performed at year-end to ensure accuracy. In fiscal year 2025, the accounting department is adhering to agreed-upon procedures (AUP) guidelines to maintain compliance and accuracy.

4) Collections (excluding electronic funds transfers)

- A. 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).
- B. 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:
 - i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. 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;
 - iii. 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
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. 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.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (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:
 - i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. 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).
 - v. Trace the actual deposit per the bank statement to the general ledger.

Not Applicable - all collections are received via electronic funds transfers.

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

- A. 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).
- B. For each location selected under procedure #5A 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:
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. 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;
 - iv. 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
 - v. 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.
- C. For each location selected under procedure #5A 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:
 - i. 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
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, 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 noted as a result of these procedures.

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

- A. 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.
- B. 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:
 - i. 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
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #6B 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: Exceptions were noted for procedure #6C(3). Documentation of the individuals participating in meals was missing for 2 transactions tested. All other procedures were tested with no exceptions noted.

Management's Response: VOASELA has an established policy that was not adhered to in these instances. The management continue to emphasize the importance of strict compliance with all policies.

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

- A. 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:
 - i. 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);

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
- iii. 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 #1A(vii); and
- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Not applicable - All travel related expenses are paid via credit card.

8) Contracts

- A. 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:
 - i. 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;
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
 - iii. 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
 - iv. 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 noted as a result of these procedures.

9) Payroll and Personnel

- A. 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.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and:
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe whether the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. 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.
- D. 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 noted as a result of these procedures.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and:
 - i. 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
 - ii. 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.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Not applicable.

11) Debt Service

- A. 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.

- B. 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).

Not applicable.

12) *Fraud Notice*

- A. 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 Organization attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. 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 noted as a result of these procedures.

13) *Information Technology Disaster Recovery/Business Continuity*

- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
 - i. 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.
 - ii. 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.
 - iii. 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.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, 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.42:126725. 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: We performed the procedures and discussed the results with management.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, 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.
- B. 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).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1st, and observe that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

Not applicable.

We were engaged by the Organization 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 the Organization 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 on those C/C areas identified in Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures, and the results 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.

A handwritten signature in cursive script, appearing to read "LaPorte".

A Professional Accounting Corporation

Covington, LA
December 10, 2024