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

SEPTEMBER 30, 2021

BATON ROUGE, LOUISIANA

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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of St. Vincent de Paul Baton Rouge Council, Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana, St. Vincent de Paul Community Pharmacy, Inc., St. Vincent de Paul Properties, and The Society of St. Vincent de Paul Foundation (the Organizations), which comprise the consolidated statement of financial position as of September 30, 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organizations referenced above as of September 30, 2021, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 21, 2022, on our consideration of the Organizations' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organizations' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organizations' internal control over financial reporting and compliance.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Baton Rouge, Louisiana
February 21, 2022

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF SEPTEMBER 30, 2021

ASSETS

Current Assets:	
Cash and Cash Equivalents	$ 6,426,357
Investments	4,469,817
Grants Receivable	490,957
Estate Receivable	4,000,000
Other Receivable	33,907
Accrued Interest	6,657
Prepaid Expenses	46,946
Inventory	249,483
Total Current Assets	15,724,124
Property, Plant and Equipment, Net of Accumulated Depreciation	7,185,024
Investment in GCHP-One Stop, L.L.C.	290,781
Other Assets	28,339
Total Assets	$ 23,228,268

LIABILITIES AND NET ASSETS

Current Liabilities:	
Accounts Payable	$ 48,794
Accrued Liabilities	78,920
Total Current Liabilities	127,714
Net Assets:	
Without Donor Restrictions	17,990,847
With Donor Restrictions:	
Restricted for Purpose or Time	5,036,881
Restricted in Perpetuity	72,826
Total Net Assets	23,100,554
Total Liabilities and Net Assets	$ 23,228,268

The accompanying notes are an integral part of this statement.

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

CONSOLIDATED STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenue:			
Public Support:			
Contributions	$ 3,046,257	$ 4,788,824	$ 7,835,081
Conference Income	777,693	-	777,693
Donated Facilities/Commodities/ Inventory/Pharmaceuticals/Services	2,524,135	-	2,524,135
Total Public Support	6,348,085	4,788,824	11,136,909
Revenue:			
Grant Income	-	1,662,143	1,662,143
Sale of Merchandise	1,385,207	-	1,385,207
Miscellaneous Income	66,891	-	66,891
Net Gain on Investments	457,113	-	457,113
Gain on Disposition of Assets	12,668	-	12,668
Interest Income	216,684	317	217,001
Total Revenue	2,138,563	1,662,460	3,801,023
Total Public Support and Revenue	8,486,648	6,451,284	14,937,932
Net Assets Released from Restrictions:			
Satisfaction of Restrictions	4,105,227	(4,105,227)	-
Total Public Support, Revenue, and Net Assets Released from Restrictions	12,591,875	2,346,057	14,937,932
Expenses:			
Program Services	7,963,799	-	7,963,799
Fund Raising	232,972	-	232,972
Management and General	414,091	-	414,091
Total Expenses	8,610,862	-	8,610,862
Change in Net Assets	3,981,013	2,346,057	6,327,070
Net Assets at Beginning of Year	14,009,834	2,763,650	16,773,484
Net Assets at End of Year	$ 17,990,847	$ 5,109,707	$ 23,100,554

The accompanying notes are an integral part of this statement.

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CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Program Services									Supporting Services			
	Store	Dining Room	Shelter	Particular Council	Properties	Council	Foundation	Pharmacy	Total Program	Fund Raising	Management and General	Total Support	Total Program and Support
Salaries and Employee Benefits	$ 601,233	$ 259,799	$ 1,066,752	$ 41,500	$ -	$ -	$ -	$ 147,390	$2,116,674	$128,820	$ 219,986	$ 348,806	$ 2,465,480
Payroll Taxes	51,792	21,340	85,017	6,300	-	-	-	11,354	175,803	8,417	16,058	24,475	200,278
Advertising	137,835	1,279	7,122	-	-	-	-	309	146,545	18,963	2,484	21,447	167,992
Auto	52,479	1,978	3,985	-	-	-	-	-	58,442	-	893	893	59,335
Assistance to Needy and Disaster Relief	1,113	2,743	243,259	-	-	-	-	-	247,115	5,486	12,344	17,830	264,945
Assistance to Needy by Conferences	-	-	-	-	-	763,889	-	-	763,889	-	-	-	763,889
Dues & Publications	845	1,690	3,509	-	-	-	-	-	6,044	3,379	7,604	10,983	17,027
Employee Benefits	14,797	10,672	36,951	-	-	-	-	11,662	74,082	6,615	12,287	18,902	92,984
Food Supply Expense	906	395,668	96,009	-	-	-	-	-	492,583	-	-	-	492,583
Insurance	83,513	40,047	143,914	29,000	-	-	-	17,514	313,988	15,450	11,841	27,291	341,279
Legal and Professional	23,472	5,480	26,960	2,800	3,150	-	4,750	2,800	69,412	3,757	25,387	29,144	98,556
Miscellaneous	46,208	45,281	39,156	-	-	-	-	-	130,645	948	29,570	30,518	161,163
Events	145	1,876	579	-	-	-	-	-	2,600	9,242	1,302	10,544	13,144
Printing	437	794	1,841	-	-	-	-	-	3,072	6,766	3,573	10,339	13,411
Pharmacist Hours (Donated)	-	-	-	-	-	-	-	4,323	4,323	-	-	-	4,323
Pharmaceuticals (Donated)	-	-	-	-	-	-	-	604,549	604,549	-	-	-	604,549
Pharmaceuticals Purchased	-	-	-	-	-	-	-	75,542	75,542	-	-	-	75,542
Repairs and Maintenance	97,360	33,578	101,373	-	-	-	-	21,042	253,353	608	29,311	29,919	283,272
Rent Expense	151,573	-	4,364	6,000	-	-	-	-	161,937	-	-	-	161,937
Store & Uniform Expense	1,546,822	-	16,196	-	-	-	-	-	1,563,018	-	-	-	1,563,018
Supplies	24,267	31,611	55,366	-	-	-	-	6,692	117,936	5,769	12,540	18,309	136,245
Postage	1,133	1,949	4,018	-	-	-	-	177	7,277	6,445	8,770	15,215	22,492
Telephone	22,110	2,701	19,105	-	-	-	-	5,328	49,244	6,848	4,290	11,138	60,382
Travel and Conventions	1,702	165	329	-	-	-	-	-	2,196	329	741	1,070	3,266
Utilities	62,405	20,477	78,050	-	-	-	-	15,779	176,711	5,130	4,867	9,997	186,708
Subtotal	2,922,147	879,128	2,033,855	85,600	3,150	763,889	4,750	924,461	7,616,980	232,972	403,848	636,820	8,253,800
Depreciation	115,911	27,488	195,098	-	-	-	-	8,322	346,819	-	10,243	10,243	357,062
Total	$3,038,058	$ 906,616	$ 2,228,953	$ 85,600	$ 3,150	$763,889	$ 4,750	$ 932,783	$7,963,799	$232,972	$ 414,091	$ 647,063	$ 8,610,862

The accompanying notes are an integral part of this statement.

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THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Cash Flows From Operating Activities:	
Change in Net Assets	$ 6,327,070
Adjustments to Reconcile Change in	
Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	357,062
Gain on Disposition of Assets	(12,668)
Net (Gains) Losses on Investments	(457,113)
Changes in Assets and Liabilities:	
(Increase) Decrease in Grants Receivable and Estate Receivable	(2,497,958)
(Increase) Decrease in Other Receivables	9,784
(Increase) Decrease in Accrued Interest	(4,109)
(Increase) Decrease in Prepaid Expenses	(183)
(Increase) Decrease in Inventory	56,638
(Increase) Decrease in Other Assets	210
Increase (Decrease) in Accrued Liabilities	(83,904)
Increase (Decrease) in Accounts Payable	(387)
Cash Provided by Operating Activities	3,694,442
Cash Flows From Investing Activities:	
Investment in GCHP-One Stop, L.L.C.	(16,747)
Net Purchases of Investments	(310,407)
Purchases of Building and Equipment	(334,424)
Proceeds from the Sale/Disposition of Assets	12,668
Net Cash Used in Investing Activities	(648,910)
Net Increase in Cash and Cash Equivalents	3,045,532
Cash and Cash Equivalents - Beginning of Year	3,380,825
Cash and Cash Equivalents - End of Year	$ 6,426,357

The accompanying notes are an integral part of this statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

Note 1 - Summary of Significant Accounting Policies -

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

Nature of Activities

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

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

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

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

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

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Organizations may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. There were no unrecognized tax benefits identified or recorded as liabilities for the year ended September 30, 2021.

The Organizations file income tax returns in the U.S. federal tax jurisdiction. With few exceptions, the Organizations are no longer subject to federal income tax examinations by tax authorities for years before 2017. Any interest and penalties assessed by income taxing authorities are not significant and are included in general and administrative expenses in these financial statements.

Basis of Accounting

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

Basis of Presentation

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

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

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

Adoption of New Accounting Standard

During the year ended September 30, 2021, the Organizations adopted Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended. The standard improves the usefulness and understandability of the Organizations' financial reporting. Analysis of the various provisions of this standard resulted in no significant changes in the way the Organizations recognized revenue, and therefore no changes to the previously issued financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

Revenue Recognition

The significant revenues of the Organizations are contributions, conference income, grant income, sale of merchandise, promises to give, and donated assets, goods and services. Contributions, promises to give, and donated assets, goods and services are discussed in detail below. A significant portion of the Organization's grants and contracts are from government agencies. These benefits received by the public as a result of the assets transferred is not equivalent to commensurate value received by the government agencies and are therefore not considered exchange transactions. Grants and contracts are analyzed for measurable performance-related barriers or other barriers. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as refundable advances. Sale of merchandise revenue is recognized when the sale takes place as the goods are delivered to the buyer. Refunds and non-collection of revenue sources have historically been insignificant. Conference income is recognized upon receipt of donations from members and church box collections.

Contributions

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

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

Promises to Give

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

Donated Assets, Goods and Services

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

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

The Organizations recognize contribution revenue for certain services received at the fair value of those services provided those services create or enhance nonfinancial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. During the year ended September 30, 2021, donated services of the pharmacist and accounting services were recorded as the services were performed. The value of other contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. Nevertheless, a number of volunteers donate a significant amount of time in the operations of the stores and dining hall.

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

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

Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates, particularly given the significant social and economic disruptions and uncertainties associated with the ongoing COVID-19 pandemic and the COVID-19 control responses, and such differences may be material.

Cash and Cash Equivalents

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

Investments

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

Inventory

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

Property and Equipment

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

Contributed Facilities

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

Functional Allocation of Expenses

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

COVID-19 Pandemic

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

Recent Accounting Pronouncement

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

Subsequent Events

The management of the Organizations evaluated subsequent events and transactions for possible recognition or disclosure in the financial statements through February 21, 2022, the date which the financial statements were available to be issued.

Note 2 - Liquidity and Availability -

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

Consolidated Financial Assets at year end:	
Cash and Cash Equivalents	$ 6,426,357
Investments	4,469,817
Grants Receivable	490,957
Estate Receivable	4,000,000
Other Receivable	33,907
	15,421,038
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	(5,036,881)
Add Back: Estate Receivable collected on February 11, 2022	4,000,000
Restricted by donor in perpetuity	(72,826)
Financial assets available to meet cash need for general expenditures within one year	$ 14,311,331

The Organizations' goal is to maintain liquid financial assets to meet 30 days of operating expenses. The Organizations invest cash in excess of daily requirements in interest bearing savings accounts and investment accounts held by financial institutions.

Note 3 - Property, Plant and Equipment -

A summary of fixed assets as of September 30, 2021 follows:

	Particular Council of SVDP	St. Vincent de Paul Pharmacy	St. Vincent de Paul Properties	Consolidated Total
Buildings and Leasehold Improvements	$ 8,185,818	$ 4,806	$ -	$ 8,190,624
Equipment, Furnishings and Vehicles	1,808,799	66,002	-	1,874,801
	9,994,617	70,808	-	10,065,425
Less: Accumulated Depreciation	(3,915,654)	(29,622)	-	(3,945,276)
	6,078,963	41,186	-	6,120,149
Land	775,794	-	289,081	1,064,875
	$ 6,854,757	$ 41,186	$ 289,081	$ 7,185,024

Depreciation expense for the year ended September 30, 2021 was $357,062.

Note 4 - Concentrations -

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

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

Note 5 - 403(b) Program -

The Particular Council and the Pharmacy each have a 403(b) program for its employees. Under the programs, qualified employees are able to make elective deferrals and the Organizations contribute up to a maximum of 6% of qualified wages. The total contribution for the year ended September 30, 2021 for the Particular Council and the Pharmacy was $80,707 and $7,493, respectively.

Note 6 - Endowment Funds -

The Particular Council has adopted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). This law provides standards to establish investment policies in a prudent manner by establishing a duty to minimize cost, diversify the investments, investigate facts relevant to the investment of the fund, consider tax consequences of investment decisions and to ensure that investment decisions are made in light of the fund's entire portfolio as a part of an investment strategy having risk and return objectives reasonably suited to the fund and to the organization. UPMIFA also permits the Particular Council to accumulate for expenditure so much of an endowment fund as the Particular Council determines to be prudent for the uses, benefits, purposes and duration for which the endowment fund is established, thereby eliminating the restriction that a fund could not be spent below its historical dollar value. Seven criteria are to be used to guide the Particular Council in its yearly expenditure decisions:

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

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organizations' to retain as a fund of perpetual duration. There are no donor-restricted endowment funds (underwater endowments) with fair value below a minimum required amount as of September 30, 2021.

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

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

Endowment net asset composition by type of fund as of September 30, 2021 is as follows:

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

Changes in endowment net assets for the year ended September 30, 2021 are as follows:

	Without Donor Restrictions	With Donor Restrictions: Restricted For Purpose	With Donor Restrictions: Restricted In Perpetuity	Total Endowment Assets
Endowment Net Assets, Beginning of Year	$ -	$ -	$ 72,826	$ 72,826
Investment Income	-	317	-	317
Amounts Appropriated for Expenditure	-	(317)	-	(317)
Endowment Net Assets, End of Year	$ -	$ -	$ 72,826	$ 72,826

Note 7 - Investments -

At September 30, 2021, the fair values of the Foundation and Council's investments were as follows:

	Foundation	Council	Total
Mutual Funds:			
Equities	$ 2,764,158	$ 42,919	$ 2,807,077
Fixed Income	1,546,263	877	1,547,140
Common Equity	-	93,244	93,244
U.S. Government Agencies Bonds	-	8,526	8,526
U.S. Corporation Bonds	-	13,830	13,830
	$ 4,310,421	$ 159,396	$ 4,469,817

Net unrealized gains of $344,887 and realized gains of $148,492, net of investment management and custodial expenses of $36,266, were recognized for the year ended September 30, 2021.

Note 8 - Fair Value Measurements -

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

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

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis at September 30, 2021:

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

Level 2 - U.S. Government Agencies and U.S. Corporation Bonds - at the closing price reported on the active or observable market on which the individual securities are traded.

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

The following table sets forth by level, within the fair value hierarchy, the Foundation and Council's investments at fair value on a recurring basis as of September 30, 2021:

	Fair Value as of September 30, 2021			
Foundation	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Equities	$ 2,764,158	$ -	$ -	$ 2,764,158
Fixed Income	1,546,263	-	-	1,546,263
	4,310,421	-	-	4,310,421
Council				
Mutual Funds:				
Equities	42,919	-	-	42,919
Fixed Income	877	-	-	877
Common Equity	93,244	-	-	93,244
U.S. Government Agencies Bonds	-	8,526	-	8,526
U.S. Corporation Bonds	-	13,830	-	13,830
	137,040	22,356	-	159,396
Total Investments	$ 4,447,461	$ 22,356	$ -	$ 4,469,817

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

St. Vincent de Paul Properties, as Landlord, entered into a grounds lease with GCHP-One Stop, L.L.C., as Tenant, on July 30, 2010. This lease has a rental term of 50 years with a renewal option for an additional 25 years, and may be terminated by the Landlord after 15 years with 30 days written notice.

If the termination option is exercised more than 15 years but less than 30 years after inception of the lease, the Landlord would assume the notes, mortgages, and regulatory agreements of the Tenant related to the construction of the leased facility and improvements, and would be required to continue to operate the leased facilities. If the termination option is exercised more than 30 years after inception of the lease, the Landlord would not assume any notes, mortgages, or regulatory agreements, but would be required to continue to operate the leased facilities. The total lease payments to be received each year equal $100 and payment is due in January each year. The following is a schedule by year of the future minimum lease payments receivable under the lease at September 30, 2021:

Fiscal Year:	
2022	$ 100
2023	100
2024	100
2025	100
2026	100
Thereafter	3,300
Total Future Minimum Lease Payments Receivable	$ 3,800

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

In July 2010, the Particular Council acquired a 24% interest in GCHP- One Stop, L.L.C., a limited liability company established to develop the One Stop Homeless Service Center and Housing Project. The Particular Council accounts for its investment in the unconsolidated affiliate by the equity method. The Particular Council records its share of such earnings (loss) in the Consolidated Statement of Activities and the carrying value of the investment in the unconsolidated affiliate is recorded in the Consolidated Statement of Financial Position as “Investment in GCHP-One Stop, L.L.C.” The investment in the affiliate at September 30, 2021 was $290,781.

Note 11 - Net Assets Released from Restrictions -

Net assets were released from restrictions for the year ended September 30, 2021 for incurring expenses satisfying their restricted purposes as follows:

	St. Vincent dePaul Council	Particular Council of SVDP	St. Vincent de Paul Pharmacy	St. Vincent de Paul Foundation	Consolidated Total
Uniforms for Kids	$ -	$ 187,844	$ -	$ -	$ 187,844
Shelter Contributions	-	319,540	-	-	319,540
Grants	20,838	1,360,870	326,226	-	1,707,934
Dining Room Contributions	-	155,400	-	-	155,400
Disaster Contributions	-	7,209	-	-	7,209
Build a Basket	-	3,092	-	-	3,092
Gift Program	-	11,995	-	-	11,995
Store Contributions	-	15,000	-	-	15,000
Estate Receivable	-	1,697,000	-	-	1,697,000
V150	-	213	-	-	213
Total Restrictions Released	$ 20,838	$ 3,758,163	$326,226	$ -	$4,105,227

Note 12 - Restrictions/Transfers of Net Assets -

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

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

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

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

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

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

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

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

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

Net assets with donor-imposed or time restrictions at September 30, 2021 for purpose or time are available for the following purposes:

	St. Vincent dePaul Council	Particular Council of SVDP	St. Vincent de Paul Pharmacy	St. Vincent de Paul Foundation	Consolidated Total
Pharmaceuticals	$ -	$ -	$ 9,874	$ -	$ 9,874
Dental Clinic	-	-	574	-	574
Assistance for the Poor	9,162	-	-	42,814	51,976
Uniforms for Kids	-	21,520	-	-	21,520
Shelters	-	61,573	-	-	61,573
Grants, Chapel Grants, and Chapel	-	704,451	-	-	704,451
Dining Room Contributions	-	3,855	-	-	3,855
Dental Contributions	-	3,409	-	-	3,409
Disaster Contributions		17,036	-	-	17,036
Community Garden	-	1,128	-	-	1,128
Mobile Kitchen	-	46,485	-	-	46,485
Estate Receivable	-	4,000,000	-	-	4,000,000
Stores	-	115,000	-	-	115,000
	$ 9,162	$ 4,974,457	$ 10,448	$ 42,814	$5,036,881

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

Dining Room Operations	$ 72,826

Note 13 - Related Party -

The Organizations utilize the Diocese of Baton Rouge for the following self-insured services: property, health, life/disability insurance and dental insurance. Payments made directly to the Diocese of Baton Rouge for these services totaled $453,172 for the fiscal year ended September 30, 2021.

The Organizations pay solidarity dues to the national Society of St. Vincent de Paul. During the fiscal year ended September 30, 2021, solidarity dues of $22,049 were paid by the Organizations.

Note 14 - Lease Commitments -

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

Fiscal Year:	
2022	$ 76,574
2023	95,558
2024	58,061
2025	45,562
2026 and Thereafter	18,984
	$ 294,739

The Particular Council has also entered into other lease agreements for the store locations that are paid on a month to month basis. Total rent expense for 2021 was $161,937.

Note 15 - Estate Contributions -

The Organization was notified that it was named as a beneficiary to the estate of a donor (the Estate). Effective May 29, 2020 a final judgment of possession was ordered by the East Baton Rouge Parish Court regarding the Estate. The filed court documents state that the Organization was the beneficiary in 8.22986% of certain assets of the Estate. During the year ended September 30, 2021, $1,000,000 was received from the Estate and is recorded as contribution revenue in these financial statements. Subsequent to year end, on February 11, 2022, additional proceeds of $4,000,000 were received from the Estate. As final judgment on the Estate occurred prior to the year ended September 30, 2021, this additional amount has been recorded in these financial statements as a contribution receivable and contribution revenue (time restricted). It has been determined that any future amounts to be received from this Estate cannot be reasonably estimated at this time as liquidation of certain assets of the Estate is still ongoing. Therefore, no other receivables or contributions due from the Estate have been recorded for the year ended September 30, 2021. Therefore any additional proceeds received by the Organization will be recorded as contribution revenue upon receipt or when the amounts are known. The Estate has notified the Organization that all funds received, and any future funds received from the Estate may be used for general support.

SUPPLEMENTARY INFORMATION

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor/Pass-Through Grantor/Program Title	CFDA	Amount of Federal Expenditures
U.S. Department of Housing and Urban Development		
Passed through City Parish:		
Emergency Solutions Grant Program	14.231	$ 156,836
* COVID-19 Emergency Solutions Grant Program	14.231	159,172
Community Development Block Grant	14.218	99,452
* COVID-19 Community Development Block Grant	14.218	66,597
Direct from HUD - Continuum of Care	14.267	339,950
Passed through Louisiana Housing Corporation:		
Emergency Solutions Grant Program	14.231	112,771
Continuum of Care Program	14.267	38,588
Total U.S. Department of Housing and Urban Development		973,366
U.S. Department of Homeland Security		
Passed Through United Way of America:		
Emergency Food and Shelter Program - FEMA	97.024	90,854
Total U.S. Department of Homeland Security		90,854
U.S. Department of Health and Human Services		
Passed Through State Administrator of Children and Families Department of Children and Family Services:		
Temporary Assistance for Needy Families	93.558	259,180
Total U.S. Department of Health and Human Services		259,180
Total Federal Assistance		$ 1,323,400

* Denotes COVID-19 relief related federal assistance.

See independent auditor's report.

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

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Note A - Significant Accounting Policies -

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

Note B - Indirect Cost Rate Election -

The Organizations did not elect to use the 10% de minimis indirect cost rate during the year ended September 30, 2021.

See independent auditor's report.

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of the Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana and St. Vincent de Paul Community Pharmacy, Inc., (the Organizations), which comprise the consolidated statement of financial position as of September 30, 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated February 21, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

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

Respectfully submitted,

Hannis T. Bourgeois, LLP

Baton Rouge, Louisiana
February 21, 2022

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

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

Report on Compliance for Each Major Federal Program

We have audited Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana and St. Vincent de Paul Community Pharmacy, Inc.'s ("The Organizations") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organizations' major federal programs for the year ended September 30, 2021. The Organizations' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Organizations complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

Report on Internal Control Over Compliance

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

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

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

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

Respectfully submitted,

Hannis T. Bourgeois, LLP

Baton Rouge, Louisiana
February 21, 2022

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

(1) Summary of Auditor's Results

Financial Statements

Type of auditors' report issued: Unmodified.

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

Noncompliance material to financial statements noted? ________ Yes __x__ No

Federal Awards

Internal control over major programs:

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

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

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

Identification of major program:

Federal Grantor/ Pass - Through Grantor/ Program Title	CFDA Number
U.S. Department of Housing and Urban Development	
Passed through City Parish:	
Emergency Solutions Grant Program	14.231
COVID-19 Emergency Solutions Grant Program	14.231
Passed through Louisiana Housing Corporation -	
Emergency Solutions Grant Program	14.231

- The threshold for distinguishing Types A and B programs was $750,000.
- The Organizations were determined to be a to be a low-risk auditee.

(CONTINUED)

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

None

(3) Findings Relating to Compliance and Other Matters:

None

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

None

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

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Finding 2020-001 - Three-Day Expenditure Rule

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

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

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

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

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

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

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

1. The Organizations set up another, separate bank account for the receipt and disbursement of LCDBG funds. Through working with their bank, this account has two different features. One, it has an automatic email notification to at least three staff of receipt of funds. Two, it has "read"

and "viewing" rights by at least three staff. These staff will be the Comptroller, Bookkeeper and at least one of the two Grants Management & Acquisition staff.

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

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

4. The Bookkeeper writes checks the same day and obtains both required signatures on or before the third day following receipt of funds.

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

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

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

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

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

AS OF SEPTEMBER 30, 2021

ASSETS

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties	St. Vincent dePaul Foundation	St. Vincent dePaul Pharmacy	Eliminations	Total
Current Assets:							
Cash and Cash Equivalents	$ 519,719	$ 3,400,838	$ 2,100	$ 2,423,340	$ 80,360	$ -	$ 6,426,357
Investments	159,396	-	-	4,310,421	-	-	4,469,817
Grants Receivable	-	408,660	-	-	82,297	-	490,957
Estate Receivable	-	4,000,000	-	-	-	-	4,000,000
Other Receivable	-	33,390	-	415	102	-	33,907
Accrued Interest	-	3,352	-	3,305	-	-	6,657
Prepaid Expenses	-	42,002	-	-	4,944	-	46,946
Inventory	-	233,225	-	-	16,258	-	249,483
Due From Related Entities	4,804	-	-	-	31,364	(36,168)	-
Total Current Assets	683,919	8,121,467	2,100	6,737,481	215,325	(36,168)	15,724,124
Property, Plant and Equipment, Net of Accumulated Depreciation	-	6,854,757	289,081	-	41,186	-	7,185,024
Investment in GCHP-One Stop, L.L.C.	-	290,781	-	-	-	-	290,781
Other Assets	-	24,950	-	-	3,389	-	28,339
Total Assets	$ 683,919	$ 15,291,955	$ 291,181	$ 6,737,481	$ 259,900	$ (36,168)	$ 23,228,268

(CONTINUED)

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
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CONSOLIDATING STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS OF SEPTEMBER 30, 2021

LIABILITIES AND NET ASSETS

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties	St. Vincent dePaul Foundation	St. Vincent dePaul Pharmacy	Eliminations	Total
Current Liabilities:							
Accounts Payable	$ 30	$ 45,149	$ -	$ -	$ 3,615	$ -	$ 48,794
Accrued Liabilities	-	74,655	-	-	4,265	-	78,920
Due to Related Entities	-	36,168	-	-	-	(36,168)	-
Total Current Liabilities	30	155,972	-	-	7,880	(36,168)	127,714
Net Assets:							
Without Donor Restrictions	674,727	10,088,700	291,181	6,694,667	241,572	-	17,990,847
With Donor Restrictions:							
Restricted For Purpose or Time	9,162	4,974,457	-	42,814	10,448	-	5,036,881
Restricted in Perpetuity	-	72,826	-	-	-	-	72,826
Total Net Assets	683,889	15,135,983	291,181	6,737,481	252,020	-	23,100,554
Total Liabilities and Net Assets	$ 683,919	$ 15,291,955	$ 291,181	$ 6,737,481	$ 259,900	$ (36,168)	$ 23,228,268

See independent auditor's report.

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

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties	St. Vincent dePaul Foundation	St. Vincent dePaul Pharmacy	Eliminations	Total
Changes in Net Assets Without Donor Restrictions:							
Public Support and Revenue Without Donor Restrictions:							
Contributions	$ 229,373	$ 2,637,758	$ -	$ 1,724	$ 177,402	$ -	$ 3,046,257
Conference Income	777,693	-	-	-	-	-	777,693
Donated Facilities/Commodities/ Inventory/Pharmaceuticals/Services	-	1,911,163	650	650	697,272	(85,600)	2,524,135
Sale of Merchandise	-	1,385,207	-	-	-	-	1,385,207
Interest Income	537	29,718	-	186,404	25	-	216,684
Gain on Disposition of Assets	-	12,668	-	-	-	-	12,668
Miscellaneous Income	-	66,801	-	-	90	-	66,891
Net Gain on Investments	-	-	-	457,113	-	-	457,113
Net Assets Released From Restrictions	20,838	3,758,163	-	-	326,226	-	4,105,227
Total Public Support and Revenues Without Donor Restrictions	1,028,441	9,801,478	650	645,891	1,201,015	(85,600)	12,591,875
Expenses:							
Program Services	763,889	6,259,226	3,150	4,750	938,484	(5,700)	7,963,799
Fund Raising	-	227,163	-	-	26,209	(20,400)	232,972
Management and General	-	379,065	-	-	94,526	(59,500)	414,091
Total Expenses	763,889	6,865,454	3,150	4,750	1,059,219	(85,600)	8,610,862
Change in Net Assets Without Donor Restrictions	264,552	2,936,024	(2,500)	641,141	141,796	-	3,981,013

(CONTINUED)

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

CONSOLIDATING STATEMENT OF ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties	St. Vincent dePaul Foundation	St. Vincent dePaul Pharmacy	Eliminations	Total
Changes in Net Assets with Donor Restrictions:							
Public Support and Revenues with Donor Restrictions:							
Contributions	-	4,788,089	-	-	735	-	4,788,824
Grant Income	30,000	1,427,389	-	-	204,754	-	1,662,143
Interest Income	-	317	-	-	-	-	317
Net Assets Released from Restrictions	(20,838)	(3,758,163)	-	-	(326,226)	-	(4,105,227)
Change in Net Assets with Donor Restrictions	9,162	2,457,632	-	-	(120,737)	-	2,346,057
Change in Net Assets	273,714	5,393,656	(2,500)	641,141	21,059	-	6,327,070
Net Assets, Beginning of Year	416,175	11,439,927	291,181	4,395,240	230,961	-	16,773,484
Transfer to (from) Entities	(6,000)	(1,697,600)	2,500	1,701,100	-	-	-
Net Assets, End of Year	$ 683,889	$ 15,135,983	$ 291,181	$ 6,737,481	$ 252,020	$ -	$ 23,100,554

See independent auditor's report.

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
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SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO THE PRESIDENT & CEO

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Agency Head Name: Michael J. Acaldo

Purpose		Amount
Salary *	$	140,538
Benefits - Insurance	$	7,987
Benefits - Retirement	$	8,400
Conference Travel **	$	1,580

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

** Conference travel is to the National Annual St. Vincent DePaul meeting. Attendance is expected.

See independent auditor's report.