

PHOENIX YOUTH AND FAMILY SERVICES, INC

FINANCIAL STATEMENT

JUNE 30, 2021

PHOENIX YOUTH AND FAMILY SERVICES, INC  
JUNE 30, 2021

INDEX

Independent Auditor's Report . . . . .	1-2
Statement of Financial Position . . . . .	3
Statement of Activities . . . . .	4
Statement of Functional Expenses . . . . .	5
Statement of Cash Flows . . . . .	6
Notes to Financial Statements . . . . .	7-11
<b>Supplementary Information</b>	
Supplemental Data Sheet . . . . .	12
Schedule of Expenditures of Federal Awards . . . . .	13
Schedule of Expenditures of State Awards . . . . .	14
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 <i>Government Auditing Standards</i> . . . . .	15-16

# SEARCY & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

JIM SEARCY, M.B.A., C.P.A.  
CHARLES SEARCY, C.P.A.  
TINA MARTIN, C.P.A.

POST OFFICE BOX 418  
MONTICELLO, ARKANSAS 71657  
(870)367-3580 or (870)367-3467  
FAX (870)367-2154  
searcyco@searcy-cpa.com

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Phoenix Youth and Family Services, Inc.

### Report on the Financial Statements

We have audited the accompanying financial statements of Phoenix Youth and Family Services, Inc.(a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

*"Well done is better than well said"*

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 financial statements referred to above present fairly, in all material respects, the financial position of Phoenix Youth and Family Services, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2021, on our consideration of Phoenix Youth and Family Services, Inc.'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 Phoenix Youth and Family Services Inc.'s internal control over financial reporting and compliance.

Searcy & Associates, LLC  
Monticello, Arkansas

October 26, 2021

PHOENIX YOUTH AND FAMILY SERVICES, INC.  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2021

ASSETS

**Current Assets**

Cash	\$ 795,820
Investments	175,978
Accounts Receivable	31,127
Prepaid Expenses	<u>8,662</u>

Total Current Assets 1,011,587

**Property and Equipment**

Buildings and Improvements	652,050
Furniture, Fixtures & Vehicles	831,073
Less: Accumulated Depreciation	<u>(1,147,463)</u>

Total Property and Equipment 335,660

**Other Assets**

Deposits	<u>865</u>
----------	------------

Total Assets \$ 1,348,112

LIABILITIES AND NET ASSETS

**Current Liabilities**

Accounts Payable	\$ 3,166
Payroll Liabilities	6,233
Accrued Salaries	<u>12,853</u>

Total Current Liabilities 22,252

**Net Assets**

Without Donor Restrictions	<u>1,325,860</u>
----------------------------	------------------

Total Liabilities and Net Assets \$ 1,348,112

See notes to financial statements.

PHOENIX YOUTH AND FAMILY SERVICES, INC.  
STATEMENT OF ACTIVITIES  
JUNE 30, 2021

	<u>Without Donor Restrictions</u>
Revenue, Gains and Other Support	
Contracted Services	\$ 1,097,044
Grants	60,000
Contributions	144,051
Interest Income	<u>803</u>
Total Revenue, Gains, and Other Support	1,301,898
Expenses	
Program Services	
Family Violence Prevention	54,059
Regional Prevention Provider	183,408
Juvenile Justice	489,570
Young Adult Reentry Partnership	<u>103,115</u>
Total Program Services	830,152
Supporting Services	
Management and General	<u>285,439</u>
Total Supporting Services	285,439
Total Expenses	<u>1,115,591</u>
Change in Net Assets	186,307
Net Assets at Beginning of Year	<u>1,139,553</u>
Net Assets at End of Year	<u>\$ 1,325,860</u>

See notes to financial statements.

PHOENIX YOUTH AND FAMILY SERVICES, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
JUNE 30, 2021

	<u>Total</u>	Supporting Services	Program Services			
		Management and General	Family Violence Prevention	Regional Prevention Provider	Juvenile Justice	Young Adult Reentry Partnership
Salary	\$ 628,643	\$183,726	\$30,789	\$ 94,467	\$241,057	\$ 78,604
Fringe Benefits	138,747	14,901	14,498	18,983	77,423	12,942
Professional Services	50,725	1,124	1,742	5,261	42,598	0
Travel	27,296	1,339	1,451	2,837	21,586	83
Program Supplies	84,098	0	3,916	36,797	43,040	345
Rent	32,295	0	1,650	0	26,932	3,713
Utilities	15,323	0	0	0	15,323	0
Telephone	22,026	6,675	0	0	15,351	0
Advertising	22,522	717	0	21,805	0	0
Training	9,919	0	0	1,760	1,159	7,000
Miscellaneous	12,914	9,826	13	1,498	1,277	300
Insurance	23,910	23,910	0	0	0	0
Repairs and Maintenance	8,678	5,024	0	0	3,654	0
Depreciation Expense	19,267	19,267	0	0	0	0
Office Expense	7,573	7,275	0	0	170	128
Supplies	11,655	11,655	0	0	0	0
	<u>\$1,115,591</u>	<u>\$285,439</u>	<u>\$54,059</u>	<u>\$183,408</u>	<u>\$489,570</u>	<u>\$103,115</u>

See notes to financial statements.

PHOENIX YOUTH AND FAMILY SERVICES, INC.  
STATEMENT OF CASH FLOW  
JUNE 30, 2021

**Cash Flows from Operating Activities**

Increase/(Decrease) in Net Assets	\$186,307
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:	
Depreciation	19,267
Gains/(Losses)	(804)
(Increase)/Decrease in:	
Receivables	5,612
Prepaid Expenses	(3,252)
Increase/(Decrease) in:	
Accounts Payable	(7,142)
Payroll Liabilities	5,037
Accrued Salaries	<u>(4,976)</u>
Net Cash Used/(Provided) by Operating Activities	<u>200,049</u>

**Cash Flows from Financing Activities**

Debt Reduction	<u>(122,800)</u>
Net Cash Used/(Provided) by Financing Activities	<u>(122,800)</u>

<b>Net Decrease in Cash</b>	77,249
<b>Cash at Beginning of Year</b>	<u>718,569</u>
<b>Cash at End of Year</b>	<u><u>\$795,820</u></u>

See notes to financial statements.



PHOENIX YOUTH AND FAMILY SERVICES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization and Nature of Activities**

Phoenix Youth and Family Services, Inc was formed in March 1995, as a private, nonprofit corporation under Section 501(c)(3) of the Internal Revenue Code. The Organization was developed to serve the needs of youth and families in the Tenth Judicial District, which includes Ashley, Bradley, Chicot, Desha, and Drew counties.

The following is a brief description of programs which are administered by Phoenix Youth and Family Services, Inc.

Comprehensive Juvenile Justice

To promote safety of children by empowering families by providing skills to enable them to interact positively with school officials about school safety, establish rapport with police, encourage development of neighborhood patrols, organize and train mentors for positive relationship development.

Family Violence Prevention/Services

Subgrantee for Arkansas Department of Finance and Administration to serve those individuals in Ashley, Chicot, and Desha counties that are covered under the Domestic Abuse Act of 1991.

Prevention Resource Center

Program development addresses the following issues: development of responsible and healthful behavior, examining issues surrounding drug violence, education toward the types and effects of substances; prevention and treatment of abuse, develop drug curriculum and teaching strategies, and develop a resource referral system.

Compass Rose Collaborative

A national collaboration funded by federal grants targeting young adults ages 18 through 24 currently in the criminal justice system. The program is designed to assist in improving education and employment for this target group by providing support services, legal services, work readiness and educational services.

Winthrop Rockefeller Foundation

The Grant is intended to support the Organization's mission to strengthen economic outcomes in Southeast Arkansas.

Method of Accounting

The financial statements of the Organization have been prepared utilizing the accrual basis of accounting and accordingly reflect all significant receivable, payable, and other liabilities.

PHOENIX YOUTH AND FAMILY SERVICES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Organization and Nature of Activities (Continued)**

Basis of Presentation

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

Net assets with donor restrictions are 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, such as those that the donor stipulates that resources be maintained in perpetuity.

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

Accounts Receivable

Accounts Receivable represent amounts that have been billed under agency contracts but not collected as of the financial statements. All accounts receivable represent amounts owed by state governmental agencies. Accounts receivable are stated at the amount management expect to be collected from the outstanding balance. As of June 30, 2021, management has determined, based on historical experience, that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

Property and Equipment

Property & Equipment acquisitions in excess of \$1,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are recorded on the books at cost or, if donated, at the approximate fair value at the date of the donation. Depreciation is computed using the straight-line method.

Compensated Absences

Full time employees are entitled to paid vacation depending on the length of service and other factors. Accrued vacation pay at June 30, 2021, was deemed immaterial and not accrued.

Estimates

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

PHOENIX YOUTH AND FAMILY SERVICES, INC  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Organization and Nature of Activities (Continued)**

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Financial Instruments and Fair Value Measurements

The Council's financial instruments consist of a money market account and mutual fund accounts, both of which are measured at fair value in the statement of financial position. The fair value is determined by the instruments' net asset values (NAVs), which are Level 1 measurements in the hierarchy of fair value measures because the fair values are readily determinable fair values (that is, the instruments can be traded at the measurement date at their published NAVs).

Income Taxes

Phoenix Youth and Family Services, Inc is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. In addition, the Organization has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for 2020.

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. The Statement of Functional Expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated to the programs and supporting services benefitted. The expenses that are allocated include occupancy and depreciation. Personnel costs, professional services, office expenses, information technology, insurance and other are allocated on the basis of estimates of time and effort. Directly identifiable expenses are charged to programs and supporting services. Management and general expenses included those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Subsequent Events

Subsequent events were evaluated through October 26, 2021, which is the date the financial statements were available to be issued.

**NOTE 2: DESCRIPTION OF LEASING AGREEMENT**

All facilities presently used are leased under one year agreements.

**NOTE 3: CONCENTRATION OF CREDIT RISK AND ECONOMIC DEPENDENCY**

Phoenix Youth and Family Services, Inc. maintains bank accounts at several banks. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. A June 30, 2021, uninsured cash balances were \$157,864.

PHOENIX YOUTH AND FAMILY SERVICES, INC  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

**NOTE 4: INVESTMENTS**

Investment securities are carried at fair value based on quoted prices in active markets (all Level 1 Measurements) and consist of the following at June 30, 2021:

	<u>Historical Cost</u>	<u>Fair Value</u>	<u>Level 1 Fair Value</u>
Non-Qualified Deferred Annuity			
Fixed Accounts	\$159,453	\$171,521	\$171,521
Government Money Market	4,367	4,456	4,456
	<u>\$163,820</u>	<u>\$175,977</u>	<u>\$175,977</u>

The following summarizes the investment income in the statement of activities:

Interest and Dividends	\$ 73
Unrealized (Losses) Gains	(238)

**NOTE 5: RETIREMENT PLAN**

The Organization maintains a defined contribution plan under IRS Code Section 401(k). The Organization provides a schedule of matching depending on the amount of the employee's contribution. Total expense for retirement matching for the year ended June 30, 2021, was \$11,988.

**NOTE 6: AVAILABILITY AND LIQUIDITY OF FINANCIAL ASSETS**

The following represents the Association's financial asset at June 30, 2021.

Financial assets at year end:	
Cash and cash equivalents	\$ 795,820
Accounts receivable	31,127
Investments	175,977
	<u>1,002,924</u>
Less amounts not available to be used within one year:	
Board designated savings	<u>175,977</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 826,947</u>

PHOENIX YOUTH AND FAMILY SERVICES, INC  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

**NOTE 7: REFUNDABLE ADVANCES**

The Organization has elected to account for certain conditional contributions in accordance with FASB ASC 958-605, Not-for-Profit Entities - Revenue Recognition. Under FASB ASC 958-605, the timing of recognition for a contribution received depends on whether the contribution is conditional or not. If the contribution is conditional, it is not recognized until the conditions are substantially met or explicitly waived.

The Organization received loan proceeds under the Paycheck Protection Program (PPP) during the fiscal year ended June 30, 2020. The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), is administered by the Small Business Administration. The loan and accrued interest are forgivable as long as the borrower uses the loan proceeds for eligible purposes, including payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before February 15, 2020.

The Arkansas Ready for Business grant proceeds were received in the fiscal year ended June 30, 2020 to help cover costs of COVID-19 related costs of ensuring the health and safety of employees and patrons at Arkansas companies. The Organization received direct payments from the CARES Act through Arkansas Economic Development Commission. Proceeds must be used by December 31, 2020. If proceeds are not fully utilized to purchase Personal Protective Equipment or other direct COVID-19 related expenses, then excess funds will be payable to AEDC.

The Organization has met all program guidance and has been released from obligations under these programs. As outlined in ASC 958-605, the Organization has reduced previously recorded liabilities and recognized current contribution revenue in the amount of \$122,800.

SUPPLEMENTARY INFORMATION

PHOENIX YOUTH AND FAMILY SERVICES, INC.  
SUPPLEMENTAL DATA SHEET  
JUNE 30, 2021

Phoenix Youth and Family Services, Inc.  
P.O. Box 654  
Crossett, AR 71635-0654  
Federal ID # 71-0778516  
Phone (870) 364-1676

Christie Lindsey, Executive Director  
Christie Lindsey, Contact Person

PHOENIX YOUTH AND FAMILY SERVICES, INC  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2021

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures (\$)</i>
<b>477 Cluster-Cluster</b>			
<b>Department of Health and Human Services</b>			
<i>Temporary Assistance for Needy Families (477 Cluster)</i>			
Temporary Assistance for Needy Families (477 Cluster)	93.558	Arkansas Department of Finance and Administration	\$ 194,292
<i>Total Temporary Assistance for Needy Families (477 Cluster)</i>			<u>194,292</u>
<i>Total Department of Health and Human Services</i>			<u>194,292</u>
<b>Total 477 Cluster-Cluster</b>			<u>194,292</u>
<b>Other Programs</b>			
<b>United States Department of Justice</b>			
<i>Crime Victim Assistance</i>			
Crime Victim Assistance	16.575		56,285
<i>Total Crime Victim Assistance</i>			<u>56,285</u>
<i>Total United States Department of Justice</i>			<u>56,285</u>
<b>Department of Labor</b>			
<i>Reentry Employment Opportunities</i>			
Reentry Employment Opportunities	17.270	Family Health International	127,085
<i>Total Reentry Employment Opportunities</i>			<u>127,085</u>
<i>Total Department of Labor</i>			<u>127,085</u>
<b>Department of Health and Human Services</b>			
<i>Substance Abuse and Mental Health Services Projects of Regional and National Significance</i>			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		103,735
<i>Total Substance Abuse and Mental Health Services Projects of Regional and National Significance</i>			103,735
<i>Block Grants for Prevention and Treatment of Substance Abuse</i>			
Block Grants for Prevention and Treatment of Substance Abuse	93.959		84,969
<i>Total Block Grants for Prevention and Treatment of Substance Abuse</i>			<u>84,969</u>
<i>Total Department of Health and Human Services</i>			<u>188,704</u>
<b>Total Other Programs</b>			<u>372,074</u>
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 566,366</u></u>



PHOENIX YOUTH AND FAMILY SERVICES, INC  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Award Amount</u>	<u>Award Expended</u>
<u>Arkansas Department of Human Services</u>		
Division of Youth Services Community Based Sanctions -		
Division of Youth Services	<u>\$ 797,118</u>	<u>\$ 797,118</u>
 Total	 <u>\$ 797,118</u>	 <u>\$ 797,118</u>

# SEARCY & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

JIM SEARCY, M.B.A., C.P.A.  
CHARLES SEARCY, C.P.A.  
TINA MARTIN, C.P.A.

POST OFFICE BOX 418  
MONTICELLO, ARKANSAS 71657  
(870)367-3580 or (870)367-3467  
FAX (870)367-2154  
searcyco@searcy-cpa.com

## 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  
Phoenix Youth and Family Services, Inc.  
Crossett, Arkansas

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 financial statements of Phoenix Youth and Family Services, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 26, 2021.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Phoenix Youth and Family Services, Inc.'s 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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of Phoenix Youth and Family Services, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Phoenix Youth and Family Services, Inc.'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 may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Phoenix Youth and Family Services, Inc.'s 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 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 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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Searcy & Associates, LLC  
Monticello, Arkansas  
October 26, 2021