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State Examiner

INDIANA STATE BOARD OF ACCOUNTS

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May 22, 2025

Board of Directors
Life Treatment Centers, Inc.
St. Joseph County, Indiana

We have reviewed the audit report of Life Treatment Centers, Inc., which was opined upon by Kruggel, Lawton & Company LLC, Independent Public Accountants, for the period July 1, 2023 to June 30, 2024. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of Life Treatment Centers, Inc. as of June 30, 2024 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Kruggel, Lawton & Company LLC prepared the audit report in accordance with the guidelines established by the Indiana State Board of Accounts.

The audit report is filed with this letter in our office as a matter of public record.

Tammy R. White, CPA
Deputy State Examiner



ANNUAL REPORT
June 30, 2024

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

ANNUAL REPORT

June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Life Treatment Centers, Inc.
South Bend, Indiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Life Treatment Centers, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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

Basis for Opinion

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

Responsibility of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2024 on our consideration of Life Treatment Centers, 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 the effectiveness of Life Treatment Centers, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Life Treatment Centers, Inc.'s internal control over financial reporting and compliance.

Respectfully submitted,



Certified Public Accountants

South Bend, Indiana
December 3, 2024

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

STATEMENTS OF FINANCIAL POSITION

June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	237,579	843,852
Grants receivable	245,405	353,862
Investments	2,760,411	2,502,195
Prepaid expense	9,673	72,204
	0	0
Total Current Assets	3,253,068	3,772,113
PROPERTY AND EQUIPMENT		
Land and land improvements	256,405	256,405
Buildings and building improvements	1,790,675	1,551,980
Furniture and equipment	244,907	268,246
Vehicles	67,930	43,680
Total	2,359,917	2,120,311
Accumulated depreciation	1,494,649	1,457,864
Net Property and Equipment	865,268	662,447
OTHER ASSETS		
Financing right of use assets, net	22,365	0
TOTAL ASSETS	4,140,701	4,434,560
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	48,538	31,590
Accrued salaries, wages and benefits	70,317	58,010
Current portion of financing lease liabilities	9,096	6,927
Total Current Liabilities	127,951	96,527
LONG-TERM FINANCING LEASE LIABILITIES	17,845	3,879
TOTAL LIABILITIES	145,796	100,406
NET ASSETS		
Without donor restrictions	3,994,905	4,323,727
With donor restrictions	0	10,427
Total Net Assets	3,994,905	4,334,154
TOTAL LIABILITIES AND NET ASSETS	4,140,701	4,434,560

The Notes to Financial Statements are an integral part of this statement.

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

STATEMENTS OF ACTIVITIES

For the Years Ended June 30, 2024 and 2023

	2024			2023		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUE						
Federal grant revenue	1,589,233	0	1,589,233	1,934,129	0	1,934,129
Federal nonfinancial contributions	96,914	0	96,914	58,849	0	58,849
State grant revenue	0	0	0	9,993	0	9,993
State contract revenue	172,713	0	172,713	201,015	0	201,015
Other grants and contributions	34,730	0	34,730	99,390	10,427	109,817
Other nonfinancial contributions	18,031	0	18,031	19,111	0	19,111
Program service fees	161,509	0	161,509	100,877	0	100,877
Investment return, net	245,252	0	245,252	154,184	0	154,184
Rent revenue	32,000	0	32,000	35,500	0	35,500
Miscellaneous revenue	8,029	0	8,029	11,558	0	11,558
Total	2,358,411	0	2,358,411	2,624,606	10,427	2,635,033
Satisfaction of program restrictions	10,427	(10,427)	0	6,425	(6,425)	0
EXPENSES						
Program:						
Residential and treatment services	2,138,080	0	2,138,080	1,843,983	0	1,843,983
Management and general	532,743	0	532,743	626,913	0	626,913
Fundraising	26,837	0	26,837	25,467	0	25,467
Total	2,697,660	0	2,697,660	2,496,363	0	2,496,363
CHANGE IN NET ASSETS	(328,822)	(10,427)	(339,249)	134,668	4,002	138,670
NET ASSETS AT BEGINNING OF YEAR	4,323,727	10,427	4,334,154	4,189,059	6,425	4,195,484
NET ASSETS AT END OF YEAR	3,994,905	0	3,994,905	4,323,727	10,427	4,334,154

The Notes to Financial Statements are an integral part of this statement.

LIFE TREATMENT CENTERS, INC.South Bend, Indiana

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2024

	<u>Program Services</u>	<u>Supporting Services</u>		
	<u>Residential and treatment services</u>	<u>Management and general</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	1,201,795	265,125	1,223	1,468,143
Payroll taxes	92,386	20,490	94	112,970
Benefits	262,132	1,450	220	263,802
Insurance	61,306	13,511	0	74,817
Repairs and maintenance	51,051	7,293	0	58,344
Utilities	65,421	9,345	0	74,766
Telephone	18,814	2,688	0	21,502
Auto	25,608	0	0	25,608
Office supplies	0	8,891	0	8,891
Dues and subscriptions	0	686	0	686
Professional fees	3,906	51,925	0	55,831
Printing and postage	0	3,591	0	3,591
Contract fees	0	51,279	0	51,279
Information technology	0	60,618	0	60,618
Food	194,290	0	0	194,290
Amortization of finance leases	0	5,587	0	5,587
Supplies	34,246	0	0	34,246
Medical supplies	10,396	0	0	10,396
Charitable contributions	0	3,253	0	3,253
Depreciation	60,070	8,582	0	68,652
Drug screening	19,621	0	0	19,621
Staff training	12,914	0	0	12,914
Interest	0	2,703	0	2,703
Security	24,124	0	0	24,124
Bank fees	0	1,258	0	1,258
Advertising expense	0	0	24,751	24,751
Other costs	0	14,468	549	15,017
TOTAL FUNCTIONAL EXPENSES	2,138,080	532,743	26,837	2,697,660

The Notes to Financial Statements are an integral part of this statement.

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2023

	<u>Program Services</u>	<u>Supporting Services</u>		
	<u>Residential and treatment services</u>	<u>Management and general</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	1,094,381	256,698	0	1,351,079
Payroll taxes	80,977	18,994	0	99,971
Benefits	163,700	38,398	0	202,098
Insurance	57,399	13,464	0	70,863
Repairs and maintenance	79,399	11,342	0	90,741
Utilities	63,692	9,098	0	72,790
Telephone	12,887	1,841	0	14,728
Auto	15,299	0	0	15,299
Office supplies	0	11,767	0	11,767
Dues and subscriptions	0	252	0	252
Professional fees	3,906	138,219	0	142,125
Printing and postage	0	3,156	0	3,156
Contract fees	0	25,953	0	25,953
Information technology	0	61,326	0	61,326
Food	138,986	0	0	138,986
Supplies	30,754	0	0	30,754
Medical supplies	3,101	0	0	3,101
Depreciation	47,112	6,730	0	53,842
Drug screening	15,049	0	0	15,049
Staff training	12,808	0	0	12,808
Interest	0	2,409	0	2,409
Security	24,533	0	0	24,533
Bank fees	0	983	0	983
Advertising expense	0	0	25,467	25,467
Other costs	0	26,283	0	26,283
TOTAL FUNCTIONAL EXPENSES	1,843,983	626,913	25,467	2,496,363

The Notes to Financial Statements are an integral part of this statement.

LIFE TREATMENT CENTERS, INC.South Bend, Indiana

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Change in net assets	(339,249)	138,670
Adjustments to reconcile changes in net assets to net cash from (used in) operating activities		
Depreciation	68,652	53,842
Amortization of finance leases	5,587	0
Net realized (gains) losses	(65,544)	88,624
Net unrealized gains	(81,992)	(198,137)
(Gain) loss on sale of property and equipment	242	(800)
Adjustments for changes in operating assets and liabilities:		
Certificates of deposit	0	(119)
Grants receivable	108,457	(103,581)
Prepaid expense	62,531	(52,958)
Accounts payable	16,948	9,091
Accrued salaries, wages and benefits	12,307	(19,347)
Net Cash Flows used in Operating Activities	(212,061)	(84,715)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Proceeds from sale of asset	0	800
Proceeds from redemption of certificates of deposit	0	533,125
Purchase of property and equipment	(275,826)	(187,124)
Purchase of investments	(312,007)	(1,322,021)
Sale of investments	201,327	307,010
Net Cash Flows used in Investing Activities	(386,506)	(668,210)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Principal payments on finance leases	(7,706)	(9,017)
Net Cash Flows used in Financing Activities	(7,706)	(9,017)
CHANGE IN CASH, RESTRICTED CASH, AND CASH EQUIVALENTS	(606,273)	(761,942)
CASH, RESTRICTED CASH, AND CASH EQUIVALENTS AT BEGINNING OF YEAR	843,852	1,605,794
CASH, RESTRICTED CASH, AND CASH EQUIVALENTS AT END OF YEAR	237,579	843,852
SUPPLEMENTARY DISCLOSURE OF CASH FLOWS		
Interest paid	2,703	2,409
SUPPLEMENTARY DISCLOSURE OF NONCASH FINANCING ACTIVITY		
Right of use asset obtained in exchange for lease liability	27,952	10,528

The Notes to Financial Statements are an integral part of this statement.

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NATURE OF BUSINESS

Life Treatment Centers, Inc. (the "Organization") is a not-for-profit organization providing treatment and rehabilitation to persons affected by substance abuse who otherwise could not afford treatment. It accomplishes this objective by creating a total program for the substance abuser to enhance spiritual growth and provide intervention, education, treatment, and re-socialization. Programs include detoxification, residential treatment, transitional residential services, intensive outpatient treatment, gambling addiction, and drug and alcohol education. These programs provide services primarily in St. Joseph and Elkhart Counties in Indiana. Funding is provided primarily by government grants, fees for service, and contributions.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The financial statements of the Organization have been prepared on the accrual basis.

The Organization adheres to Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205, which sets standards for reporting on financial statements of not-for-profit organizations. ASC 958-205 requires the classification and presentation of net assets in two categories: net assets with donor restrictions and net assets without donor restrictions.

Net assets with donor restrictions are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

ASC 958-205 also provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). UPMIFA is a model act approved by the Uniform Law Commission (ULC; formerly known as the National Conference of Commissioners on Uniform State Laws) that serves as a guideline for states to use in enacting legislation. ASC 958-205 also improves disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds), whether or not the organization is subject to UPMIFA.

USE OF ESTIMATES

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

CASH AND CASH EQUIVALENTS

For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments without donor restrictions with an initial maturity of three months or less to be cash equivalents. Cash is held at local banks and is insured up to the respective limits by the FDIC. It is common for the Organization's cash balance to exceed the insured limit throughout the course of operations. Funds received from the Department of Housing and Urban Development are held in a segregated bank account.

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

GRANTS

Support received under governmental grants is recorded based on expenses incurred or based on a fixed rate. Grants receivable represents amounts due for expenses incurred or units serviced prior to year end, and are considered fully collectible by management. The organization uses the allowance method to determine uncollectible grants receivable. Management has determined no allowance is necessary for grants receivable at June 30, 2024 or 2023.

FAIR VALUE MEASUREMENTS

Management accounts for all assets and liabilities that are measured and reported on a fair value basis under the Fair Value Measurements and Disclosures Topic of FASB ASC 820. ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The framework for measuring fair value establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

INVESTMENTS

In accordance with the requirements of Accounting for Certain Investments Held by Not-for-Profit Organizations Topic of FASB ASC 958-320, the Organization reports investments in equity securities with readily determinable fair values and all investments in debt securities at fair value in the Statements of Financial Position. Gains and losses are reflected as increases or decreases in the class of net assets without donor restriction unless the donor or relevant laws place restrictions on the gains and losses.

Donated securities are recorded at fair value at the date of donation, or, if sold immediately after receipt, at the amount of sales proceeds received.

PROPERTY AND EQUIPMENT

Donations of property and equipment are recorded as current support at their estimated fair value unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. Net assets with donor restrictions are reclassified to net assets without donor restrictions at that time.

Purchased property and equipment are stated at cost. Expenditures for additions, improvements and replacements are added to the property and equipment accounts. Repairs and maintenance are charged to expense as incurred. When equipment is retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the respective accounts and any gains or losses arising from the disposition are reflected in income. Depreciation is provided for over the estimated useful lives of the assets using the straight-line method. Depreciation expense was \$68,652 and \$53,842 for the years ended June 30, 2024 and 2023, respectively.

A summary of the range of lives by asset category follows:

Land improvements	15 years
Buildings and building improvements	5 - 40 years
Furniture and equipment	3 - 15 years
Vehicles	5 years

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

REVENUE RECOGNITION

Government Grants

The Organization has several large government grants that are either fee-for-service or cost reimbursement. These grants are considered contributions since they benefit the general public. Revenues for the fee-for service grants are recognized when the related services outlined in the grant contracts are performed. Revenues for the cost-reimbursement grants are recognized when the allowable expenses are incurred and all other conditions of the grant are satisfied.

State Grants and Contracts

The Organization has state grants and contracts that are either fee-for-service or cost reimbursement. These are recognized the same as the government grants noted above.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing program and other activities have been summarized on a functional basis in the Statements of Activities. Accordingly, certain costs have been allocated among program and supporting services benefited. Such allocations are determined by management on an equitable basis.

Expenses that are allocated include the following:

Expense	Method of Allocation
Salaries and wages; payroll taxes; benefits	Time and effort
Utilities; telephone; repairs and maintenance; depreciation	Square footage

Other expenses are assigned to the respective functional category by method of direct assignment.

INCOME TAXES

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service (IRS) has determined that the Organization is not a private foundation within the meaning of Section 509(a).

The Income Taxes Topic, FASB ASC 740, clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements. ASC 740 requires an entity to disclose the nature of uncertain tax positions taken, if any, when filing its income tax return utilizing a two-step process to recognize and measure any uncertain tax positions taken. The entity recognizes a tax benefit only if it is more likely than not the position would be sustained in a tax examination, with a tax examination being presumed to occur. No tax benefit will be recorded on tax positions not meeting the more likely than not test. Interest and penalties accrued or incurred, if any, as a result of applying ASC 740 will be recorded to interest expense and other expense, respectively.

Based on its evaluation, the Organization has concluded that there are no uncertain tax positions requiring recognition in its financial statements. The Organization's evaluation was performed for all federal and state tax periods still subject to examination. The Organization's 2020 through 2022 federal and state exempt organization returns remain subject to examination by the IRS and state taxing authorities.

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

ADVERTISING COSTS

Various costs relating to advertising are considered period costs and are expensed as incurred. Advertising costs, included in other costs on the Statement of Activities for the years ended June 30, 2024 and 2023 were \$24,751 and \$25,467, respectively.

LEASES

The Organization accounts for leases in accordance with Accounting Standards Update ("ASU") No. 2016-02, Leases (Topic 842). Leases are evaluated using the criteria outlined in FASB ASC 842 to determine whether they will be classified as operating leases or finance leases. Management determines if an arrangement is a lease, or contains a lease, at inception of a contract and when terms of an existing contract are changed. Management determines if an arrangement conveys the right to use an identified asset and whether the Organization obtains substantially all of the economic benefits from and has the ability to direct the use of the asset. The Organization recognizes a lease liability and Right Of Use ("ROU") asset at the commencement date of the lease.

Beginning July 1, 2023, lease ROU assets and related current and long-term portions of lease liabilities have been presented in the Statement of Financial Position.

Lease liabilities: A lease liability is measured based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or rate and are measured using the index or rate at the commencement date. Lease payments, including variable payments made based on an index rate, are remeasured when any of the following occur: (1) the lease is modified (and the modification is not accounted for as a separate contract), (2) certain contingencies related to variable lease payments are resolved, or (3) there is a reassessment of any of the following: the lease-term, purchase options, or amounts that are probable of being owed under a residual value guarantee. The discount rate is the rate implicit in the lease if it is readily determinable; otherwise, the Organization uses its incremental borrowing rate based on the information available at the commencement date of the lease. The incremental borrowing rate for a lease is the rate of interest the Organization would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment and geographic location. Accordingly, the rates applied in the calculations to determine balances as of June 30, 2024 and 2023 were provided by the Organization's lender.

ROU assets: A ROU asset is measured at the commencement date at the amount of the initially measured liability plus any lease payments made to the lessor before or after commencement date, minus any lease incentives received, plus any initial direct costs. Unless impaired, the ROU asset is subsequently measured throughout the lease term at the amount of the lease liability (that is the present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

The Organization has elected for all underlying classes of assets, to not recognize ROU assets and lease liabilities for low-value leases and short-term leases that have a lease term of 12 months or less, but greater than 1 month at lease commencement, and do not include an option to purchase the underlying asset that is reasonably certain to exercise. The Organization recognizes lease cost associated with its low-value and short-term leases on a straight-line basis over the lease term.

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

RECLASSIFICATIONS

Certain items in the financial statements for the year ended June 30, 2023 have been reclassified to conform with presentation of the financial statements for the year ended June 30, 2024. The reclassifications have no effect on total assets, liabilities, net assets, changes in net assets, or net cash flows as previously reported.

NOTE 2 - LIQUIDITY AND AVAILABILITY

The Organization has working capital of \$3,125,117 and \$3,675,586 and average days cash on hand of 34 and 130 as of June 30, 2024 and 2023, respectively.

The table below represents financial assets available for general expenditures within one year at June 30:

	<u>2024</u>	<u>2023</u>
Financial assets at year end:		
Cash and cash equivalents	237,579	843,852
Grants receivable	245,405	353,862
Investments	2,760,411	2,502,195
Financial assets available to meet general expenditures within 1 year	<u>3,243,395</u>	<u>3,699,909</u>

NOTE 3 - FAIR VALUE MEASUREMENTS

Three levels of the fair value hierarchy under ASC 820 are described below.

Basis of Fair Value Measurement

- Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities;
- Level 2 - Quoted prices for similar assets or liabilities in active markets or identical assets or liabilities in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;
- Level 3 - Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. As required by ASC 820, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. There were no changes in valuation methods during the year.

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

The following table presents the Organization's fair value hierarchy for the Organization's investment assets at fair value as of June 30, 2024:

Investments	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Stocks, options and ETFs	1,164,552	0	0	1,164,552
Fixed income securities	496,209	0	0	496,209
Mutual funds	1,099,650	0	0	1,099,650
Total	2,760,411	0	0	2,760,411

The following table presents the Organization's fair value hierarchy for the Organization's investment assets at fair value as of June 30, 2023:

Investments	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Stocks, options and ETFs	1,198,222	0	0	1,198,222
Fixed income securities	497,025	0	0	497,025
Mutual funds	806,948	0	0	806,948
Total	2,502,195	0	0	2,502,195

NOTE 4 - BENEFICIAL INTEREST

A donor has established a fund at a local Community Foundation to receive gifts for the purpose of providing support to the Organization. The value of contributions made directly to the fund and the related appreciation (depreciation) is not considered to be an asset of the Organization, however, the Organization receives the income earned on the assets. Distributions from the fund are recorded as contribution revenue when the distribution is taken. There were no contributions or distributions received from the fund for the years ended June 30, 2024 and 2023. The value of the fund held on behalf of the Organization was \$150,116 and \$135,440 at June 30, 2024 and 2023, respectively.

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes at June 30:

	<u>2024</u>	<u>2023</u>
Elevator upgrade	0	10,427
Total	0	10,427

NOTE 6 - RETIREMENT PLAN

The Organization contributes to a simplified employee pension plan for substantially all employees. The amount of the contribution to the plan is at the discretion of the Board of Directors of the Organization and is a percentage of employee salaries. The Organization contributed \$25,569 and \$20,609 for the years ended June 30, 2024 and 2023, respectively. The Organization also established an Employee Tax Deferred Savings Plan under Internal Revenue Code Section 403(b). Employees may choose to contribute to the plan at their discretion through pre-tax payroll deductions.

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 7 - NONFINANCIAL CONTRIBUTIONS

The Organization records the value of donated nonfinancial assets as gift-in-kind income at the estimated fair value as of the date of the gift. The estimated fair value comes from standard unit costs set by the USDA. The Organization receives donations of food from both the USDA and from nonfederal organizations to supply its food bank program activities. The food is used within the same year it is received. During the years ended June 30, 2024 and 2023, the Organization received federal food contributions of \$96,914 and \$58,849, respectively. During the years ended June 30, 2024 and 2023, the Organization received nonfederal food contributions of \$18,031 and \$19,111, respectively.

NOTE 8 - CONCENTRATIONS

The Organization receives a substantial amount of its support from federal, state, and local agencies. A significant reduction in the level of support, if this were to occur, may have a significant effect on the financial statements.

The Organization has stock in a publicly traded fund that amounts to more than 10% of its total investment portfolio. At June 30, 2024 and 2023, respectively, the market value of the Organization's holdings in this fund was \$588,272 and \$557,138, representing 21% and 22% of its total investment portfolio.

NOTE 9 - RELATED PARTY TRANSACTIONS

The Organization contracts with a media company for advertising services. The company is owned by a member of the Board of Directors. The Organization pays \$2,000 per month for the services, plus additional fees for special projects. The Organization purchased services totaling \$24,000 for each of the years ended June 30, 2024 and 2023.

In addition, the Organization contracts with an information technology company for support services. The company is owned by a member of the Board of Directors. During the years ended June 30, 2024 and 2023, the Organization purchased services totaling \$17,076 and \$22,756, respectively.

NOTE 10 - LEASES

The Organization maintains a month-to-month lease agreement with an unrelated party. Under the arrangement, rent is due on the first of each month in equal installments of \$2,500. Rent income was \$30,000 for each of the years ended June 30, 2024 and 2023, respectively.

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

Upon adoption of ASC 842, the Organization had two financing leases that were presented as part of property, plant, and equipment. The first agreement, entered into in February 2019, was for telephone equipment. The lease was for a 60 month term including fixed monthly payments of \$589, and terminated early in June 2023, resulting in a loss of \$242 on disposal. The second agreement, entered into in February 2022, is for office equipment. The lease is for a 39 month term including fixed monthly payments of \$354. This lease also includes variable payments which are not included in lease payments used to determine lease liabilities and are recognized as variable costs when incurred. These leases are presented in the data below and in the Statements of Financial Position as part of property plant equipment. The Organization entered into a lease for telephone equipment, effective July 1, 2023, for a 60 month term including fixed monthly payments of \$544. The lease is presented in the Statements of Financial Position for the year ended June 30, 2024 as a finance lease ROU asset of \$22,365, net of accumulated amortization of \$5,587. These leases also have an associated current portion of finance lease liabilities of \$9,096 and \$6,927, and long-term finance lease liabilities of \$17,845 and \$3,879 for the years ended June 30, 2024 and 2023, respectively. Rent expense under the lease agreements was \$10,776 and \$11,866 for the years ended June 30, 2024 and 2023, respectively.

The Organization has two operating leases that were determined to be low value and thus were not capitalized under ASC 842. The Organization entered into a lease for office equipment, effective October 1, 2018, requiring monthly payments of \$68 through September 2023. Total lease expense for the office equipment for each of the years ended June 30, 2024 and 2023 was \$136 and \$816, respectively. The Organization entered into a lease for a washer and dryer effective February 24, 2020, requiring monthly payments of \$120 through February 2025. Total lease expense for the washer and dryer was \$1,440 for each of the years ended June 30, 2024 and 2023. Operating lease expense is presented as part of repairs and maintenance on the Statements of Functional Expenses.

Management has elected not to separate nonlease components from lease components in leases. The components of lease cost are as follows for the years ended June 30:

	<u>2024</u>	<u>2023</u>
<u>Lease cost</u>		
Finance lease cost:		
Amortization of right of use assets	5,587	9,457
Interest on lease liabilities	2,703	2,409
Short-term operating lease cost	1,576	2,256
Total lease cost	9,866	14,122

Other information

Weighted-average remaining lease term - finance leases	3.6 years	1.5 years
Weighted-average discount rate - finance leases	6.6%	7.5%

The following table represents supplemental Statements of Financial Position classification information related to finance leases as of June 30:

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Financing right of use assets included in property and equipment	10,528	39,748
Related accumulated amortization (shown as depreciation)	(7,289)	(28,917)

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

Maturities of finance lease liabilities are as follows for the years ending June 30:

2025	10,775
2026	6,528
2027	6,528
2028	6,528
<hr/>	
Total lease payments	30,359
Present value adjustment	(3,418)
<hr/>	
Present value of lease liabilities	26,941

NOTE 11 - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through December 3, 2024, the date the financial statements were available to be issued. No events or transactions occurred during this period which require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
Department of Health and Human Services				
Passed-through Affiliated Service Providers of Indiana, Inc. (ASPIN)				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	61992	1,077,292	0
Passed-through Intecare, Inc.				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	806	192,010	0
Passed-through Indiana Department of Health				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	69834	8,250	0
Total Block Grants for Prevention and Treatment of Substance Abuse			1,277,552	0
Passed-through Trustees of Indiana University				
State Opioid Response Grant	93.788	9703-LIFE	25,000	0
Total State Opioid Response Grant			25,000	0
<i>Total Department of Health and Human Services</i>			1,302,552	0
Department of Housing and Urban Development				
Passed-through City of South Bend				
Emergency Solutions Grants Program	14.231	22-JE-19	30,000	0
Passed-through Indiana Housing and Community Development Authority				
Emergency Solutions Grants Program	14.231	ES-023-040	18,000	0
Total Emergency Solutions Grants Program			48,000	0
Passed-through City of South Bend				
Continuum of Care Program				
Continuum of Care Program	14.267	IN0145L5H022109	47,212	0
Continuum of Care Program	14.267	IN0145L5H022010	126,197	0
CDBG– Entitlement Grants Cluster			173,409	0
CDBG– Entitlement Grants Cluster				
Passed-through City of South Bend				
Community Development Block Grants/Entitlement Grants	14.218	23-JC-81	58,000	0
Passed-through City of Mishawaka				
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	23-JE-19	7,272	0
Total CDGB– Entitlement Grants Cluster			65,272	0
<i>Total Department of Housing and Urban Development</i>			286,681	0

See accompanying Notes to Schedule of Expenditures of Federal Awards.

LIFE TREATMENT CENTERS, INC.South Bend, Indiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
Department of Agriculture				
Food Distribution Cluster				
Passed-through Food Bank of Northern Indiana				
Emergency Food Assistance Program (Food Commodities)	10.569	SU23	96,914	0
Total Food Distribution Cluster			<u>96,914</u>	<u>0</u>
<i>Total Department of Agriculture</i>			<u>96,914</u>	<u>0</u>
Total Expenditures of Federal Awards			1,686,147	0

See accompanying Notes to Schedule of Expenditures of Federal Awards.

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2024

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards ("Schedule") includes the federal award activity of Life Treatment Centers, Inc. (the "Organization") under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allocable or are limited as to reimbursement.
2. The Organization has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 - RECONCILIATION OF THE SCHEDULE TO THE FINANCIAL STATEMENTS

Federal awards on Statement of Activities for the year ended June 30, 2024	1,589,233
Noncash federal assistance on Statement of Activities for the year ended June 30, 2024	<u>96,914</u>
Total expenditures of federal awards on the Schedule	<u><u>1,686,147</u></u>

ADDITIONAL REQUIRED REPORTS AND INFORMATION



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
Life Treatment Centers, Inc.
South Bend, Indiana

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 Life Treatment Centers, Inc. (a non-profit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 3, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Respectfully submitted,



Certified Public Accountants

South Bend, Indiana
December 3, 2024



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
Life Treatment Centers, Inc.
South Bend, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Life Treatment Centers, Inc.'s (the "Organization"), compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2024. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibility for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



Certified Public Accountants

South Bend, Indiana
December 3, 2024

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued based on financial statements prepared in accordance with generally accepted accounting principles:	Unmodified
Internal control over financial reporting	
Material weakness(es) identified?	No
Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies identified?	None reported
Type of auditor's report issued on compliance of major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	No
Identification of major programs:	
<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.959	Block Grants for Prevention and Treatment of Substance Abuse
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2024

Section II - Financial Statement Findings

There were no findings required to be reported in accordance with *Government Auditing Standards*.

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2024

Section III - Federal Award Findings and Questioned Costs

There were no findings required to be reported in accordance with the Uniform Guidance.

LIFE TREATMENT CENTERS, INC.

South Bend, Indiana

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended June 30, 2024

There were no prior year audit findings.