

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE

(A NONPROFIT ORGANIZATION)
COMBINED FINANCIAL REPORT AND
SUPPLEMENTARY INFORMATION

JUNE 30, 2022 AND 2021

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE

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BERNARD & FRANKS
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH V. FRANKS II, C.P.A.

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JAMES L. WHITE, C.P.A.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Gulf Coast Teaching Family Services, Inc.
d/b/a Gulf Coast Social Services and Affiliate
New Orleans, Louisiana

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate (a non-profit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, 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 referred to above present fairly, in all material respects, the financial position of Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate as of June 30, 2022 and 2021, and the changes in its net assets, functional expenses, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services, and Affiliate 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 opinion.

Responsibility of Management 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; 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 Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate'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 Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate's ability to continue as a going concern for a reasonable time.

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

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Compensation on page 23 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 information 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 26, 2022, on our consideration of Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate'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 internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate's internal control over financial reporting and compliance.

Bernard & Franks

Metairie, Louisiana
December 26, 2022

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
(A NONPROFIT ORGANIZATION)
COMBINED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

ASSETS	2022	2021
CURRENT ASSETS		
Cash and cash equivalents	\$ 3,460,869	\$ 3,809,353
Certificates of deposit	205,745	223,466
Program and other receivables (less allowance for doubtful accounts of \$40,000 and \$40,000)	1,297,064	898,678
Prepaid expenses	169,184	142,735
Total current assets	\$ 5,132,862	\$ 5,074,232
 PROPERTY AND EQUIPMENT - AT COST		
Land	\$ 590,783	\$ 590,783
Building and improvements	3,370,284	3,696,317
Software	55,329	55,329
Leasehold improvements	22,990	22,990
Furniture and equipment	617,461	613,756
Transportation equipment	125,863	146,676
	\$ 4,782,710	\$ 5,125,851
Less accumulated depreciation and amortization	(2,438,928)	(2,386,562)
	\$ 2,343,782	\$ 2,739,289
 OTHER ASSETS		
Deposits	\$ 13,423	\$ 16,070
Certificates of deposit	91,252	60,761
Restricted cash	367,217	357,529
Restricted certificates of deposit	235,372	249,322
Total other assets	\$ 707,264	\$ 683,682
Total assets	\$ 8,183,908	\$ 8,497,203

See Notes to Financial Statements.

LIABILITIES AND NET ASSETS

	<u>2022</u>	<u>2021</u>
CURRENT LIABILITIES		
Accounts payable	\$ 305,992	\$ 208,127
Accrued liabilities	1,047,987	888,650
Current maturities of long-term debt	<u>18,951</u>	<u>914,436</u>
 Total current liabilities	 <u>\$ 1,372,930</u>	 <u>\$ 2,011,213</u>
 LONG-TERM DEBT		
Payroll Protection Program forgivable loan	\$ -	\$ 1,238,555
Mortgage payable to bank	<u>305,795</u>	<u>324,721</u>
 Total long-term debt	 <u>\$ 305,795</u>	 <u>\$ 1,563,276</u>
 COMMITMENTS AND CONTINGENCIES		
	<u>\$ -</u>	<u>\$ -</u>
 NET ASSETS		
Without donor restrictions	<u>\$ 6,505,183</u>	<u>\$ 4,922,714</u>
 Total long-term debt	 <u>\$ 6,505,183</u>	 <u>\$ 4,922,714</u>
 Total liabilities and net assets	 <u><u>\$ 8,183,908</u></u>	 <u><u>\$ 8,497,203</u></u>

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
(A NONPROFIT ORGANIZATION)
COMBINED STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2022 AND 2021

UNRESTRICTED NET ASSETS

	2022	2021
REVENUE, GAINS, AND SUPPORT:		
Grants and fees for services	\$ 14,207,752	\$ 14,159,381
Contributions	2,923	12,625
Forgiveness of Payroll Protection Program loan	2,134,700	-
Investment income	(15,915)	39,887
Casualty loss from Hurricane Ida	(16,031)	-
Gain on sale of equipment	3,100	-
Other income	164,716	2,806
	<u>16,481,245</u>	<u>14,214,699</u>
TOTAL UNRESTRICTED REVENUES, GAINS AND SUPPORT	\$ 16,481,245	\$ 14,214,699
EXPENSES:		
Program Services		
Foster Care/Professional Care	\$ 947,228	\$ 837,072
Personal care attendants	3,556,623	3,639,545
Supervised independent living	3,875,524	3,651,475
Respite services	684,075	407,035
Homeless/Housing	-	346
Elderly Services	131,320	85
Others, in total	1,704,694	1,772,723
	<u>10,899,464</u>	<u>10,308,281</u>
Total program expenses	\$ 10,899,464	\$ 10,308,281
Support Services		
Administrative and general	\$ 3,999,312	\$ 3,700,699
	<u>3,999,312</u>	<u>3,700,699</u>
Total support services	\$ 3,999,312	\$ 3,700,699
TOTAL EXPENSES	<u>\$ 14,898,776</u>	<u>\$ 14,008,980</u>
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	\$ 1,582,469	\$ 205,719
NET ASSETS, BEGINNING OF YEAR	<u>4,922,714</u>	<u>4,716,995</u>
NET ASSETS, END OF YEAR	<u>\$ 6,505,183</u>	<u>\$ 4,922,714</u>

See Notes to Financial Statements.

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
(A NONPROFIT ORGANIZATION)

COMBINED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022

	Program Services			
	Professional Foster Care	Personal Care Attendants	Supervised Independent Living	Respite Services
Salaries and wages	\$ 184,041	\$ 3,102,115	\$ 3,367,331	\$ 538,086
Severance package	-	-	-	-
Employee benefits	6,561	61,884	28,665	8,611
Payroll taxes	13,198	237,260	257,299	39,796
Workmen's compensation	5,162	89,784	96,828	15,717
Total payroll cost	<u>\$ 208,962</u>	<u>\$ 3,491,043</u>	<u>\$ 3,750,123</u>	<u>\$ 602,210</u>
Office supplies	\$ 126	\$ 2,834	\$ 1,451	\$ 352
Advertising	2,350	1,244	4,151	709
Bad debts	-	-	-	-
Telephone	1,778	3,621	4,400	1,491
Training	550	-	444	60
Travel	4,349	35,774	53,842	50,999
HUD supporting services	-	-	-	-
Professional services	21	80	-	-
Insurance	-	-	-	-
Repairs and maintenance	-	-	62	-
Depreciation	-	-	-	-
Interest	-	-	-	-
Lease expense	-	-	-	-
HUD rental assistance	-	-	-	-
Client needs	6,716	152	8,676	22
Room and board	294,808	-	-	-
Contractual services	405,145	-	-	-
Utilities	-	-	-	-
Consultants	-	4,111	31,163	-
Computer expense	-	544	769	-
Recognition expense	7,291	579	1,139	521
Care facilities fees	-	-	-	-
Rental expenses	-	-	-	-
Food	-	-	234	-
Life skills training	-	-	-	-
Medical supplies	-	4,224	4,308	-
Others, in total	<u>15,132</u>	<u>12,417</u>	<u>14,762</u>	<u>27,711</u>
Total direct expenses	<u>\$ 947,228</u>	<u>\$ 3,556,623</u>	<u>\$ 3,875,524</u>	<u>\$ 684,075</u>

See Notes to Financial Statements.

Program Services			Supporting Services		
Elderly Services	Other Programs	Total Program Services	Administrative and General	Total Supporting	Grand Totals
\$ 60,103	\$ 1,294,940	\$ 8,546,616	\$ 2,192,773	\$ 2,192,773	\$ 10,739,389
-	-	-	-	-	-
2,457	28,430	136,608	69,124	69,124	205,732
4,367	100,282	652,202	152,469	152,469	804,671
953	35,202	243,646	6,211	6,211	249,857
<u>\$ 67,880</u>	<u>\$ 1,458,854</u>	<u>\$ 9,579,072</u>	<u>\$ 2,420,577</u>	<u>\$ 2,420,577</u>	<u>\$ 11,999,649</u>
\$ 649	\$ 2,905	\$ 8,317	\$ 63,963	\$ 63,963	\$ 72,280
-	1,568	10,022	25,116	25,116	35,138
-	2,449	2,449	-	-	2,449
145	5,214	16,649	95,887	95,887	112,536
-	3,368	4,422	7,505	7,505	11,927
1,681	79,560	226,205	26,652	26,652	252,857
-	-	-	-	-	-
-	31,784	31,885	324,171	324,171	356,056
-	33,601	33,601	219,604	219,604	253,205
-	22,233	22,295	143,839	143,839	166,134
-	6,481	6,481	129,867	129,867	136,348
-	-	-	11,908	11,908	11,908
-	3,835	3,835	173,126	173,126	176,961
-	-	-	-	-	-
-	15,602	31,168	4,948	4,948	36,116
-	-	294,808	-	-	294,808
-	-	405,145	-	-	405,145
-	5,685	5,685	56,918	56,918	62,603
-	2,867	38,141	-	-	38,141
17,808	74	19,195	50,378	50,378	69,573
-	117	9,647	37,514	37,514	47,161
-	-	-	-	-	-
-	-	-	-	-	-
30,370	110	30,714	-	-	30,714
-	-	-	-	-	-
-	1,350	9,882	276	276	10,158
12,787	27,037	109,846	207,063	207,063	316,909
<u>\$ 131,320</u>	<u>\$ 1,704,694</u>	<u>\$ 10,899,464</u>	<u>\$ 3,999,312</u>	<u>\$ 3,999,312</u>	<u>\$ 14,898,776</u>

GULF COAST TEACHING
d/b/a GULF COAST SOCIAL SERVICES
(A NONPROFIT ORGANIZATION)

COMBINED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021

	Program Services				
	Professional Foster Care	Personal Care Attendants	Supervised Independent Living	Respite Services	Housing/ Homeless
Salaries and wages	\$ 174,763	\$ 3,204,849	\$ 3,220,611	\$ 332,474	\$ 313
Severance package	-	-	-	-	-
Employee benefits	4,578	34,836	20,301	4,029	-
Payroll taxes	12,564	242,624	245,781	25,182	24
Workmen's compensation	4,831	93,619	92,340	9,832	9
Total payroll cost	<u>\$ 196,736</u>	<u>\$ 3,575,928</u>	<u>\$ 3,579,033</u>	<u>\$ 371,517</u>	<u>\$ 346</u>
Office supplies	\$ 444	\$ 420	\$ 189	\$ 389	\$ -
Advertising	3,792	223	2,218	389	-
Bad debts	-	8,551	-	-	-
Telephone	1,573	4,538	5,203	871	-
Training	608	-	200	11	-
Travel	2,013	25,096	32,710	18,090	-
Professional services	-	62	-	-	-
Insurance	-	-	-	-	-
Repairs and maintenance	-	-	-	200	-
Depreciation	-	-	-	-	-
Interest	-	-	-	-	-
Lease expense	-	-	-	-	-
Client needs	5,455	196	1,196	691	-
Room and board	259,531	-	-	-	-
Contractual services	356,687	-	-	-	-
Utilities	-	-	-	-	-
Consultants	-	9,162	10,693	-	-
Computer expense	-	-	-	-	-
Recognition expense	4,001	-	1,275	-	-
Rental expenses	-	-	-	-	-
Food	-	-	-	-	-
Medical supplies	-	4,808	11,535	78	-
Others, in total	6,232	10,561	7,223	14,799	-
Total direct expenses	<u>\$ 837,072</u>	<u>\$ 3,639,545</u>	<u>\$ 3,651,475</u>	<u>\$ 407,035</u>	<u>\$ 346</u>

See Notes to Financial Statements.

Program Services			Supporting Services		
Elderly Services	Other Programs	Total Program Services	Administrative and General	Total Supporting	Grand Totals
\$ -	\$ 1,387,727	\$ 8,320,737	\$ 2,084,556	\$ 2,084,556	\$ 10,405,293
-	-	-	-	-	-
-	19,541	83,285	55,579	55,579	138,864
-	103,574	629,749	145,438	145,438	775,187
-	37,136	237,767	1,607	1,607	239,374
\$ -	\$ 1,547,978	\$ 9,271,538	\$ 2,287,180	\$ 2,287,180	\$ 11,558,718
\$ -	\$ 2,385	\$ 3,827	\$ 58,767	\$ 58,767	\$ 62,594
-	57	6,679	10,919	10,919	17,598
-	17,048	25,599	-	-	25,599
-	6,969	19,154	113,759	113,759	132,913
-	64	883	14,699	14,699	15,582
-	64,604	142,513	6,959	6,959	149,472
-	31,686	31,748	312,698	312,698	344,446
-	25,917	25,917	179,744	179,744	205,661
-	12,069	12,269	102,493	102,493	114,762
-	7,062	7,062	127,809	127,809	134,871
-	-	-	5,582	5,582	5,582
-	10,280	10,280	204,003	204,003	214,283
-	17,062	24,600	324	324	24,924
-	-	259,531	-	-	259,531
-	-	356,687	-	-	356,687
-	4,548	4,548	54,078	54,078	58,626
-	5,610	25,465	-	-	25,465
-	-	-	37,703	37,703	37,703
-	105	5,381	22,458	22,458	27,839
-	172	172	-	-	172
-	-	-	93	93	93
-	1,096	17,517	2,288	2,288	19,805
85	18,011	56,911	159,143	159,143	216,054
\$ 85	\$ 1,772,723	\$ 10,308,281	\$ 3,700,699	\$ 3,700,699	\$ 14,008,980

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES
(A NONPROFIT ORGANIZATION)
COMBINED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 1,582,469	\$ 205,719
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	136,348	135,868
Forgiveness of Payroll Protection loan	(2,134,700)	-
Unrealized (gain) loss on investments	-	1,462
Loss on sale of investments	-	4,234
Casualty loss from Hurricane Ida	16,031	-
Gain on sale of equipment	(3,100)	-
Changes in assets and liabilities:		
(Increase) decrease in program receivables	(398,386)	91,443
(Increase) decrease in prepaid expenses	(26,449)	(10,235)
Increase (decrease) in accounts payable and accrued liabilities	257,202	146,039
Net cash provided by (used in) operating activities	\$ (570,585)	\$ 574,530
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of certificates of deposit	\$ (469,440)	\$ (543,813)
Redemption of certificates of deposit	470,620	257,810
Purchases of property and equipment	(274,441)	(849,609)
Proceeds from insurance for casualty loss	517,594	-
Proceeds from sale of equipment	3,100	-
Deposits (made) returned	2,647	6,574
Net cash used in investing activities	\$ 250,080	\$ (1,129,038)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	\$ -	\$ 349,017
Payment of debt principal	(18,291)	(6,005)
Net cash used in investing activities	\$ (18,291)	\$ 343,012
Net increase (decrease) in cash and cash equivalents	\$ (338,796)	\$ (211,496)
Cash and cash equivalents, beginning of year	4,166,882	4,378,378
Cash and cash equivalents, end of year	\$ 3,828,086	\$ 4,166,882
Cash, cash equivalents and restricted cash as of June 30, 2022 and 2021 consisted of the following:		
Cash and cash equivalents	\$ 3,460,869	\$ 3,809,353
Cash restricted for		
Deposits securing lines of credit	350,000	350,000
Unemployment self insurance fund	17,217	7,529
	\$ 3,828,086	\$ 4,166,882

See Notes to Financial Statements

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 1 – ORGANIZATION

Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services, and Affiliate is a non-profit organization organized exclusively for charitable, religious, educational, and scientific purposes. The Organization maintains group homes, child and family centers, and other related programs for the youth and families. It provides a program that will allow the young people and their families to become normalized, independent, productive, and respected community citizens. These services are provided in the South Louisiana area.

Gulf Coast's Affiliate is Independent Living Properties, Inc., a non-profit corporation organized under the provisions of Louisiana. The Affiliate was formed to hold the real property of Gulf Coast.

The Organization's major programs include the following:

Professional Care Program - This program provides foster homes in the community for abused, neglected, or troubled children and adolescents, emotionally disturbed children, and children and adults with physical and mental disabilities. The program also locates and serves runaways and homeless youth through prevention, crisis intervention, and follow-up services.

Personal Care Attendant Services (PCA) - PCA assists adults or children with mental or physical disabilities in performing activities of daily living that they might otherwise not be able to accomplish alone.

Supported Independent Living (SIL) - The SIL program works with individuals with mental and physical disabilities and older adolescents needing extra support, assistance, and monitoring.

Respite Services - Respite Services are offered to parents with children or adults with physical/mental illness and are designed to provide relief from the demanding care for their unique needs.

Housing/Homeless – the program provides supportive housing and services to transition the homeless into temporary and later permanent housing. Services include but are not limited to assistance in finding housing, acquiring necessary furnishings, integration into the community, and establishing community support. Management Information Systems are also established and maintained for present and future assistance to the homeless.

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 1 – ORGANIZATION (Continued)

Elderly – This type of service covers all needs of the elderly such as general hygiene needs, assisting with grocery shopping, meal planning and preparation, teaching and helping with activities, finding resources, and encouraging interactions with other persons with similar interests.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies used in the preparation of the accompanying financial statements follows:

1. Basis of Accounting

The accompanying financial statements are presented in conformity with accounting principles generally accepted in the United States on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other assets and liabilities.

2. Financial Statement Presentation

The Organization follows the financial statement presentation recommended by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, Not-for-Profit Entities. The Organization reports information regarding its financial position and activities according to two classes of net assets based upon the existence or absence of restrictions on use placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

The governing board has not designated net assets without donor restrictions for an operating reserve or a board-designated endowment. Net assets with donor restrictions are subject to donor-imposed conditions. Some donor-imposed conditions are temporary, 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, such as those that the donor stipulates those resources be maintained in perpetuity.

Net assets without donor restrictions are resources available to support operations and are 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.

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Financial Statement Presentation (Continued)

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary, such as those that a donor restricts for use for a particular purpose or a specific future period. Other restrictions may be perpetual, such as those that a donor restricts to maintain the resources in perpetuity.

The Organization's unspent contributions are reported in net assets with donor contributions if the donor limited their use, as promised gifts are not yet due. Donations of property and equipment or cash restricted to the acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. As of June 30, 2022 and 2021, the Organization has not received any contributions with donor-imposed conditions that would result in donor-restricted net assets.

3. Use of Estimates

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

4. Income Taxes

The Organization is a non-profit organization and exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Code as other than a private foundation. The Organization believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to financial statements. The Organization's Federal Exempt Information Returns (Form 990) for 2019, 2020, and 2021 are subject to examination by the IRS, generally for three years after they were filed.

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Cash and Cash Equivalents

Cash, held in interest-bearing accounts, consists of unrestricted balances. Unrestricted cash balances represent cash available for general operating purposes.

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

The Organization maintains cash balances at several financial institutions located in Louisiana. The cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. On June 30, 2022 and 2021 the amounts of \$2,763,791 and \$3,021,482, respectively, of cash were over the FDIC-insured limits.

6. Restricted Cash

Restricted cash consists of balances in cash accounts required by loans and operating agreements.

7. Allowance For Doubtful Accounts

The Organization has established an allowance for doubtful accounts to allow corrections and billing adjustments related to accounts receivable balances on June 30, 2022 and 2021.

If any, actual billing adjustments and bad debts are charged to the specific fund or programs as determined by management. Bad debt expense for the years ended June 30, 2022 and 2021 was \$2,449 and \$25,599, respectively.

8. Depreciation and Amortization

Property and equipment are carried at cost. Depreciation and amortization are calculated using the straight-line method. Depreciable lives for most assets in the class are as follows: buildings, 20-25 years; leasehold improvements, 10 years or lease term if shorter; furniture and fixtures, 10 years; computers and related equipment, 3 to 5 years; transportation equipment, 3 to 5 years.

The cost and related accumulated depreciation are removed when assets are disposed of or retired. Any resulting gain or loss is reflected in income for the period. The cost of maintenance and repairs is charged to income as incurred; significant renewals and

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Depreciation and Amortization (continued)

betterments are capitalized. Donated property is capitalized at fair value. Depreciation and amortization expenses amounted to \$136,348 and \$135,868 for the years ended June 30, 2022 and 2021, respectively.

9. Compensated Absences

Accumulated paid time off is payable upon termination of employment and is accrued. Gulf Coast's obligation as of June 30, 2022 and 2021 totaled \$313,975 and \$323,829, respectively, which is included in accrued expenses on the Statement of Financial Position.

10. Program Revenues

Program revenues earned under reimbursement-type contracts are recorded in the appropriate program when the related expenses are incurred.

Program revenues earned on fee-for-service and per-diem contracts considered exchange transactions are recorded as revenues when services are provided.

11. Allocated Costs

Expenses are charged to each program directly when the charge is identified to the program. Program expenditures that cannot be directly identified to a program are allocated based on square footage, usage statistics, and the ratio of program payroll expenses to total payroll expenses as appropriate. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide the overall support and direction of the Organization.

For management analysis purposes, the Organization allocated administrative costs of the central and regional offices for \$4,063,402 and \$3,700,699 to the various programs it administered during the years ended June 30, 2022 and 2021, respectively. Directly identifiable expenses are charged to programs and support services. The allocation is based on the proportion of direct program costs to total direct program costs. The Statement of Activities includes these allocated costs in Administrative and General Expenses.

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Contributed Nonfinancial Assets

Donations of property and equipment are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and cash contributions that must be used to acquire property and equipment are reported as restricted contributions. 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. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. To date, all contributions of property have been included as increases to the without donor restrictions support.

13. In-Kind - Matching

Some grant agreements require that the Organization provide matching funds in cash, in-kind contributions, or a combination of cash and in-kind contributions. A cash match represents the Organization's cash or expenditures from funds other than the grants. In-kind match grant requirements primarily consisted of donated materials, equipment, rental space, and the Organization's services.

In-kind match contributions are recorded as in-kind contributions in the general ledger, and an equal amount is recorded as an in-kind expense. The revenues and expenses are eliminated in the financial statements. The HUD programs require a 25 percent cash match. These match requirements are reported to HUD in the Organization's monthly reports but are not included in the financial statements.

14. Certificates of Deposit

Certificates of deposit held for investments that do not secure debt or were legally restricted are included in "certificates of deposit" on the Statement of Financial Position. The certificates of deposit are carried at cost. The certificates of deposit that have remaining maturity dates of less than one year are classified as short-term.

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JUNE 30, 2022 AND 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investments' income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by the passage of time or by use) in the reporting period in which the income and gains are recognized.

16. Fair Value Measurement Standard

Accounting Standard Codification (ASC) *Fair Value Measurements* establish a framework for measuring fair value under Generally Accepted Accounting Principles (GAAP) and disclosures about fair value measurements. The valuation hierarchy is based upon the reliability of inputs to the valuation of an asset or liability on the measurement date. The three levels of the fair value hierarchy are described below:

LEVEL 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

LEVEL 2 - Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets and observable inputs for the asset or liability, either directly or indirectly, for substantially the entire term of the financial instrument.

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

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The valuation techniques are used to maximize observable inputs and minimize unobservable inputs.

Assets and liabilities measured at fair value are based on one or more of three valuation techniques noted in the standard. The three valuation techniques are as follows:

- Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities;

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

16. Fair Value Measurement Standard (Continued)

- Cost approach – Amount that would be required to replace the service capacity of an asset (i.e., replacement cost); and
- Income approach – Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing models, and lattice models).

17. Principles of Combination

The combined financial statements include the accounts of Gulf Coast Teaching Family Services, Inc., d/b/a Gulf Coast Social Services, and its wholly controlled Affiliate, Independent Living Properties, Inc. All significant intercompany accounts and transactions have been eliminated in combination.

18. New Accounting Pronouncements

The Financial Accounting Standards Board (FASB) has issued Accounting Standards Update (Update) No. 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The Update seeks to increase the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. The Organization has implemented the Update provisions for the year ending June 30, 2022. The Organization did not receive any volunteer service hours for the years ended June 30, 2022 and 2021.

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (Update) No. 2016-02, Leases. The Update seeks to increase transparency and comparability among organizations by recognizing lease assets and liabilities on the balance sheet and disclosing essential information about leasing arrangements. Further guidance from the FASB has deferred the implementation of the Update until years beginning after December 15, 2021, which would require implementation of the new lease guidance effective for the year ending June 30, 2023. Management is evaluating the impact of this standard on the Organization's financial statements.

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NOTE 3 – RESTRICTED CASH AND CERTIFICATES OF DEPOSIT AND LINE OF CREDIT

The Organization had restricted cash and certificates of deposit of \$602,589 and \$606,851 for the years ended June 30, 2022 and 2021, respectively.

Following the Unemployment Insurance Fund Plan requirements, the Organization maintained a restricted reserve balance of \$252,589 (\$17,217 in cash and \$235,372 in certificates of deposit) and \$256,859 (\$7,528 in cash and \$249,322 in certificates of deposit) for the years ended June 30, 2022 and 2021, respectively. The reserved funds are available for self-insured unemployment claims if such claims arise in the future.

The Organization also maintains a cash reserve of \$350,000 for the years ended June 30, 2022 and 2021 that secures a line of credit required by governmental funders for \$350,000. Interest on any funds used on the line of credit would be at 2% above the prime lending rate. The line of credit was unused for the years ending June 30, 2022, and 2021.

NOTE 4 – CERTIFICATES OF DEPOSIT

The certificates of deposit balance on June 30, 2022 and 2021, held with various financial institutions, were \$296,997 and \$284,227, respectively.

Certificates of deposits with maturities over one year are reported as other assets. Rates of return on investments held on June 30, 2022, range from .04% and 3.35%. Rates of return on the investments held on June 30, 2021, range between 1.75% and 3.15%.

NOTE 5 – INVESTMENT SECURITIES

There was no investment in marketable securities during the years ended June 30, 2022 and June 30, 2021.

Investment income (loss) for the years ended June 30, 2022 and 2021 were (\$15,915) and \$39,887, respectively.

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NOTE 6 – PROGRAM RECEIVABLES

Program receivables consist of reimbursements for expenses incurred or revenue earned on fees for service and per-diem contracts. Program receivables consist of the following as of June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Department of Health and Human Services	\$ 162,336	\$ 41,634
Medicaid	470,912	440,082
U.S. Department of Juvenile Justice and Delinquency Prevention	20,456	28,484
State of Louisiana:		
Office of Mental Health	20,329	22,484
Office of Community Services	235,571	168,450
South Central LA Human Services	88,984	108,461
Private	-	-
Terrebonne Parish Government	33,572	-
Veterans Affairs	103,059	125,828
Other	<u>201,845</u>	<u>3,255</u>
Subtotal	\$ 1,337,064	\$ 938,678
Less: Allowance for Doubtful Accounts	<u>(40,000)</u>	<u>(40,000)</u>
Total, net	<u>\$ 1,297,064</u>	<u>\$ 898,678</u>

NOTE 7 – SUBSEQUENT EVENTS

Subsequent events were evaluated through December 26, 2022, when the financial statements were available to be issued.

NOTE 8 – ACCRUED LIABILITIES

Accrued liabilities consist of the following on June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Accrued salaries and payroll taxes	\$ 709,927	\$ 521,318
Compensated absences	313,975	323,829
Other	<u>24,085</u>	<u>43,503</u>
Total	<u>\$ 1,047,987</u>	<u>\$ 888,650</u>

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JUNE 30, 2022 AND 2021

NOTE 9. – PAYCHECK PROTECTION PROGRAM LOAN

The Organization received loan proceeds for \$2,134,700 under the Paycheck Protection Program ("PPP"). The PPP established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expenses of the qualifying business. The purpose of this loan was to maintain payroll and other operating expenses during the COVID-19 pandemic. The loan terms allow the amount to be forgiven if the funds were used for salaries and additional costs permitted under the agreement. The Organization completed an application to the SBA for complete forgiveness of the PPP loan, including any accrued interest. As anticipated, the SBA forgave the loan amount and all accrued interest.

The Organization adopted as its accounting policy for the PPP loan Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 470. The loan amount that was ultimately forgiven (i.e., the entity is legally released from being the loan's primary obligor according to ASC 405-20, Extinguishment of Debt), then income was recognized in the statement of activities for the year ended June 30, 2022 as gain on forgiveness of the Payroll Protection Program loan for \$2,134,700.

NOTE 10 – MORTGAGE PAYABLE

The Organization financed its Houma administrative and program facility with a mortgage payable to the bank. The mortgage note requires annual interest payments of 3.5 percent per year. The monthly principal and interest payments are \$2,514 until the maturity date of January 19, 2036. Minimum future principal payments due under this mortgage note as of June 30, 2022 are as follows:

<u>Year Ending</u> <u>June 30th,</u>	<u>Annual</u> <u>Principal Payments</u>
2022	\$ 18,951
2023	19,606
2024	20,341
2025	22,001
2026	23,796
Thereafter	<u>220,051</u>
	\$ 324,746
Less: current maturities	<u>18,951</u>
Total	<u>\$ 305,795</u>

Interest expense was \$11,908 and \$5,582 for the years ended June 30, 2022 and 2021, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 11 – LEASES

The Organization leases facilities and equipment under operating leases expiring through 2027. The rental expense related to these leases was \$176,961 and \$214,283 for the years ended June 30, 2022 and 2021, respectively. Minimum future rental payments due under these leases as of June 30, 2022 are as follows:

<u>Year Ending</u> <u>June 30th,</u>	<u>Minimum</u> <u>rental payments</u>
2023	\$ 127,621
2024	44,270
2025	18,364
2026	18,364
2027	12,074
Thereafter	<u>333</u>
Total	<u>\$ 221,026</u>

Management expects leases to be renewed or replaced by other leases in the ordinary course of business.

NOTE 12 – UNEMPLOYMENT INSURANCE FUND

Effective July 1, 1992, the Organization became self-insured for employee unemployment compensation claims by establishing an Organization unemployment insurance fund.

Actual payments to the State for Unemployment benefits totaled \$17,395 in 2022 and \$1,434 in 2021.

As of June 30, 2022 all known claims have been recorded in the financial statements.

NOTE 13 – ECONOMIC DEPENDENCY

The Organization receives 99% of its revenue from funds provided through programs administered by the State of Louisiana. The program amounts are appropriated each year by the federal and state governments. Suppose significant budget cuts are affected at the federal and state levels. In that case, the Organization's funds could be reduced significantly and have an adverse impact on its operations. Management is unaware of any actions that will adversely affect the amount of funds the Organization will receive in the next fiscal year.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 14 – CONTINGENCIES

Programs administered by the Organization are subject to review and audit by the various funding agencies. Accordingly, the funding agencies may recover any disallowed payments from these audits in subsequent years.

NOTE 15 – PENSION PLAN

Effective January 1, 2005, the Organization established the GCTFS Matching Retirement Plan (the Plan). The Organization revised the 403(b)-retirement plan effective January 1, 2021, requiring an employer matching provision. The Organization provides a 2% matching contribution on up to 6% of an employee's salary. The Plan is open to all employees who are 21 years of age or older and who completed one year of service during which they worked at least 1,000 hours of service. The Plan has a calendar year-end and allows entrance into the Plan on two entry dates – January 1 and July 1. Employees can make a salary deferral election up to the IRS limits permitted. The Organization makes a matching contribution equal to the lesser of 25% of the participant's elective deferral or 6% of the participant's compensation. The Employer may make discretionary contributions equal to a uniform percentage or elective amount of the participant's deferral. No discretionary matching contributions were made for the years ending June 30, 2022 and 2021. The Organization made employer-matching contributions of \$27,861 for the year ended June 30, 2022.

NOTE 16 – LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization had the following financial assets available on June 30, 2022 and 2021, within one year of the statement of financial position date for general expenditures:

	2022	2021
Cash and cash equivalents	\$ 3,460,869	\$ 3,809,353
Certificates of deposit	205,745	223,466
Program receivables	<u>1,297,064</u>	<u>898,678</u>
Total	<u>\$ 4,963,678</u>	<u>\$ 4,931,497</u>

As noted above, the Organization has \$4,963,678 on June 30, 2022 and \$4,931,497 on June 30, 2021, of financial assets available to meet general expenditures' cash needs. None of the financial assets listed above are subject to a donor or other contractual restrictions that make

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JUNE 30, 2022 AND 2021

NOTE 16 – LIQUIDITY AND AVAILABILITY OF RESOURCES (Continued)

them unavailable for general expenditures within one year of the statement of financial position. The Organization has the policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Most of the Organization's expenditures are for fee-for-service arrangements under contracts with governmental agencies. Under these contracts, services are completed, and the vendor fee is billed after the service. Other governmental contracts are cost reimbursement arrangements where costs budgeted under the grant are expended, and a request for reimbursement is made at the end of the month of expenditure. Most program expenses will only be incurred if a contract or grant is obtained to provide the fee-for-service revenue for the costs or in accordance with a grant which will reimburse the Organization for the expenditure.

The Organization also maintains a \$350,000 line of credit with the bank for working capital emergencies. The line of credit is secured by restricted cash and investments and is required by a governmental funder. The line of credit was unused as of June 30, 2022.

NOTE 17 – HURRICANE IDA CASUALTY LOSS AND PURCHASE COMMITMENT

On August 30, 2021, the Organization suffered losses in its administrative and program facility located in Houma, Louisiana, because of the effects of Hurricane Ida. The loss for year ended June 30, 2022 was recorded in the statement of activities as a casualty loss from Hurricane Ida in the amount of \$16,031. The Organization received \$517,594 in insurance proceeds for the building loss.

As a result of the Houma building damage, the Organization executed a construction contract to repair the facility. The construction contract has an unpaid balance of \$622,290 on June 30, 2022 for the remaining construction services.

NOTE 18 – SUPPLEMENTAL CASH FLOW INFORMATION

Cash paid for interest during the years ended June 30, 2022 and 2021 amounted to \$11,908 and \$5,582, respectively.

Non-cash financing activities for the year ended June 30, 2022, consisted of forgiveness under the SBA's Payroll Protection Loan Program in the amount of \$2,134,700 (see Note 9).

SUPPLEMENTARY INFORMATION

GULF COAST TEACHING FAMILY SERVICES, INC.
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(A NONPROFIT ORGANIZATION)
SCHEDULE OF COMPENSATION
YEAR ENDED JUNE 30, 2022

Agency Head Name: Mr. Willie Green Jr., Chief Executive Officer

<u>Purpose:</u>	<u>Total</u>
Salary	\$ 188,262
Benefits-medical insurance	2,598
Benefits-dental insurance	137
Benefits-vision insurance	6
Benefits-Cafeteria plan flexible spending	1,455
Benefits-403(b) retirement plan contribution	13,000
Cell phone expenses reimbursement	780
Total	<u>\$ 206,238</u>

GULF COAST TEACHING FAMILY SERVICES, INC.
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(A NONPROFIT ORGANIZATION)
SCHEDULE 1 - COMBINED STATEMENT OF REVENUES
AND EXPENSES BY COST REPORT GROUPING
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
REVENUE		
Grants and fees for services	\$ 14,207,752	\$ 14,159,381
Contributions	2,923	12,625
Investment income	(15,915)	39,887
Forgiveness of Payroll Protection Program loan	2,134,700	-
Other income	151,785	2,806
	<u>\$ 16,481,245</u>	<u>\$ 14,214,699</u>
 EXPENSES		
Administrative and general	\$ 7,376,771	\$ 6,722,562
Plant operation and maintenance	518,944	508,842
Dietary, laundry, and linen	31,948	948
Personal client needs	36,116	24,924
Therapeutic and training	10,158	6,685,241
Medical and nursing	6,839,028	19,805
Recreational	47,665	21,193
Consultants	38,146	25,465
	<u>\$ 14,898,776</u>	<u>\$ 14,008,980</u>
 INCREASE (DECREASE)		
IN UNRESTRICTED NET ASSETS	<u>\$ 1,582,469</u>	<u>\$ 205,719</u>

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SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND
YEAR ENDED JUNE 30, 2022

	Foster Care					Personal Care Attendants		
	20-105 Regular Foster Care Baton Rouge TIPS # 020008014	40-105 Regular Foster Care Houma TIPS	50-105 RFC Lafayette	60-105 Foster Care New Orleans TIPS Provider # 010007819	Subtotal Foster Care	20-101 PCA Baton Rouge Provider # 1912913	20-108 ROW PCA Baton Rouge	20-119 PCS Baton Rouge Provider # 1173703
Administrative and General	\$ 72,574	\$ 21,570	\$ 1,098	\$ 131,312	\$ 226,554	\$ 145,419	\$ 2,245	\$ 6,620
Plant operation and capital asset costs	-	-	-	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	1,281	-	-	5,435	6,716	152	-	-
Medical and nursing	-	-	-	-	-	1,063	-	274
Therapeutic and training	428,353	20,256	-	264,803	713,412	546,865	34,551	57,357
Recreational	354	-	-	192	546	-	-	-
Consultants	-	-	-	-	-	430	-	-
Subtotal programs	\$ 502,562	\$ 41,826	\$ 1,098	\$ 401,742	\$ 947,228	\$ 693,929	\$ 36,796	\$ 64,251
Subtotal administrative and general								
Administrative costs - allocated	199,047	13,414	366	134,979	347,806	274,839	14,574	25,447
Totals	<u>\$ 701,609</u>	<u>\$ 55,240</u>	<u>\$ 1,464</u>	<u>\$ 536,721</u>	<u>\$1,295,034</u>	<u>\$ 968,768</u>	<u>\$ 51,370</u>	<u>\$ 89,698</u>

GULF COAST TEACHING FAMILY SERVICES, INC.
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SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND
YEAR ENDED JUNE 30, 2022

	Personal Care Attendants						
	30-101 PCA Hammond Provider # 1690082	30-117 EPSTD Hammond Provider	30-118 EDA WAIVER Hammond Provider	30-119 PCS Hammond Provider # 1173789	40-101 PCA Houma TIPS Provider # 1935166	40-102 Children's Choice Waiver Houma Provider # 2179870	40-108 ROW-PCA Houma
Administrative and General	\$ 32,671	\$ 134	\$ 121	\$ 9,027	\$ 134,061	\$ 12,103	\$ 15,028
Plant operation and capital asset costs	-	-	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-
Personal client needs	-	-	-	-	-	-	-
Medical and nursing	-	-	-	-	-	-	-
Therapeutic and training	243,734	0	318	37,279	479,473	12,384	19,394
Recreational	-	-	-	-	-	-	-
Consultants	<u>822</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,607</u>	<u>72</u>	<u>63</u>
Subtotal programs	\$ 277,227	\$ 134	\$ 439	\$ 46,306	\$ 615,141	\$ 24,559	\$ 34,485
Subtotal administrative and general							
Administrative costs - allocated	<u>119,618</u>	<u>58</u>	<u>209</u>	<u>19,980</u>	<u>197,261</u>	<u>7,876</u>	<u>11,058</u>
Totals	<u>\$ 396,845</u>	<u>\$ 192</u>	<u>\$ 648</u>	<u>\$ 66,286</u>	<u>\$ 812,402</u>	<u>\$ 32,435</u>	<u>\$ 45,543</u>

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
(A NONPROFIT ORGANIZATION)

SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND
YEAR ENDED JUNE 30, 2022

Personal Care Attendants												
	40-119 PCS		40-412		50-101 PCA		51-101 PCA		52-101 PCA		60-101 PCA	
	40-117 EPSDT	Houma Provider #	40-412	SCLHSA PCA	Lafayette	50-108	Alexandria	Lake Charles	60-101 PCA	New Orleans	Provider #	Provider #
	Houma	1173720	Houma	#1910384	Lafayette	1910384	1910384	1984205	1910686	1910686	1910686	1910686
Administrative and General	\$ 8,137	\$ 33,741	\$ 22,202	\$ 120,910	\$ 591	\$ 9,638	\$ 39,175	\$ 61,307				
Plant operation and capital asset costs	-	-	-	-	-	-	-	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-	-	-	-	-
Personal client needs	-	-	-	-	-	-	-	-	-	-	-	-
Medical and nursing	-	-	-	2,011	-	158	645	73				
Therapeutic and training	5,759	73,199	85,737	468,440	13,045	158,184	167,273	232,921				
Recreational	-	-	-	14	-	-	-	-	-	-	-	-
Consultants	-	198	-	574	-	-	345	-	-	-	-	-
Subtotal programs	\$ 13,896	\$ 107,138	\$ 107,939	\$ 591,949	\$ 13,636	\$ 167,980	\$ 207,438	\$ 294,301				
Subtotal administrative and general												
Administrative costs - allocated	4,456	34,356	34,613	197,124	4,541	74,755	98,129	98,883				
Totals	<u>\$ 18,352</u>	<u>\$ 141,494</u>	<u>\$ 142,552</u>	<u>\$ 789,073</u>	<u>\$ 18,177</u>	<u>\$ 242,735</u>	<u>\$ 305,567</u>	<u>\$ 393,184</u>				

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
(A NONPROFIT ORGANIZATION)

SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND
YEAR ENDED JUNE 30, 2022

	<u>Personal Care Attendants</u>					<u>Supervised Independent Living</u>	
	60-102 Children's Choice Waiver New Orleans Provider # <u>2182277</u>	60-108 ROW-PCA New Orleans	60-117 EPSDT New Orleans Provider # 1912913	60-119 PCS New Orleans Provider # 1173754	Subtotal Personal Care Attendant	20-103 Supervised Living Title XIX Baton Rouge Provider # 1912913	30-103 SIL- Title XIX Hammond Provider # 1690082
Administrative and General	\$ 2,517	\$ 3,861	\$ 2,599	\$ 5,537	\$ 667,644	\$ 168,036	\$ 13,450
Plant operation and capital asset costs	-	-	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-
Personal client needs	-	-	-	-	152	1,746	-
Medical and nursing	-	-	-	-	4,224	913	-
Therapeutic and training	35,534	74,411	50,246	84,194	2,880,298	384,658	89,710
Recreational	-	180	-	-	194	-	-
Consultants	-	-	-	-	4,111	660	-
Subtotal programs	\$ 38,051	\$ 78,452	\$ 52,845	\$ 89,731	\$ 3,556,623	\$ 556,013	\$ 103,160
Subtotal administrative and general							
Administrative costs - allocated	<u>12,785</u>	<u>26,358</u>	<u>17,757</u>	<u>30,149</u>	<u>1,304,826</u>	<u>220,216</u>	<u>44,512</u>
Totals	<u>\$ 50,836</u>	<u>\$ 104,810</u>	<u>\$ 70,602</u>	<u>\$ 119,880</u>	<u>\$ 4,861,449</u>	<u>\$ 776,229</u>	<u>\$ 147,672</u>

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
(A NONPROFIT ORGANIZATION)

SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND
YEAR ENDED JUNE 30, 2022

	Supervised Independent Living							Respite
	40-103 SIL- Title XIX Houma Provider # 1935166	50-103 SIL- Title XIX Lafayette Provider # 1910384	51-103 SIL- Title XIX Alexandria Provider # 1690538	52-103 SIL- Title XIX Alexandria Provider # 1984205	60-103 SIL- Title XIX New Orleans Provider # 1910686	60-604 Non- Medicaid SIL Vendor # 294	Subtotal Supervised Independent Living	Short Term Respite Baton Rouge
Administrative and General	\$ 109,841	\$ 159,621	\$ 234,058	\$ 67,253	\$ 48,588	\$ 4	\$ 800,851	\$193,051
Plant operation and capital asset costs	-	-	-	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	18	-	292	-	310	-
Personal client needs	3,709	894	2,060	184	83	-	8,676	-
Medical and nursing	-	1,646	1,074	645	30	-	4,308	-
Therapeutic and training	575,193	585,680	880,519	204,191	309,959	135	3,030,045	-
Recreational	-	-	30	15	121	-	166	7,499
Consultants	<u>1,758</u>	<u>3,544</u>	<u>24,413</u>	<u>793</u>	<u>-</u>	<u>-</u>	<u>31,168</u>	<u>-</u>
Subtotal programs	\$ 690,501	\$ 751,385	\$ 1,142,172	\$ 273,081	\$ 359,073	\$ 139	\$ 3,875,524	\$200,550
Subtotal administrative and general								
Administrative costs - allocated	<u>221,426</u>	<u>250,218</u>	<u>508,295</u>	<u>129,179</u>	<u>120,645</u>	<u>-</u>	<u>1,494,491</u>	<u>79,431</u>
Totals	<u>\$ 911,927</u>	<u>\$ 1,001,603</u>	<u>\$ 1,650,467</u>	<u>\$ 402,260</u>	<u>\$ 479,718</u>	<u>\$ 139</u>	<u>\$ 5,370,015</u>	<u>\$279,981</u>

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
(A NONPROFIT ORGANIZATION)

SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND
YEAR ENDED JUNE 30, 2022

	Respite							Elderly Services	
	30-426 Short Term Respite Northshore	40-426 Short Term Respite Houma	50-426 Short Term Respite Lafayette	51-426 Short Term Respite Alexandria	Short Term Respite Lake Charles	60-426 Short Term Respite New Orleans	Subtotal Respite	40-413 Houma Senior Center Houma	Subtotal Elderly Services
Administrative and General	\$ 27,452	\$ 43,549	\$ 86,473	\$ 69,450	\$ 114,113	\$ 129,509	\$ 663,597	\$ 88,434	\$ 88,434
Plant operation and capital asset costs	-	-	-	-	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	30,370	30,370
Personal client needs	-	22	-	-	-	-	22	-	-
Medical and nursing	-	-	-	-	-	-	-	-	-
Therapeutic and training	-	-	-	1,112	919	3	2,034	-	-
Recreational	45	1,524	3,042	583	2,446	3,283	18,422	12,516	12,516
Consultants	-	-	-	-	-	-	-	-	-
Subtotal programs	\$ 27,497	\$ 45,095	\$ 89,515	\$ 71,145	\$ 117,478	\$ 132,795	\$ 684,075	\$ 131,320	\$ 131,320
Subtotal administrative and general									
Administrative costs - allocated	<u>11,864</u>	<u>14,460</u>	<u>29,809</u>	<u>31,661</u>	<u>55,573</u>	<u>44,617</u>	<u>267,415</u>	<u>42,111</u>	<u>42,111</u>
Totals	<u>\$ 39,361</u>	<u>\$ 59,555</u>	<u>\$ 119,324</u>	<u>\$ 102,806</u>	<u>\$ 173,051</u>	<u>\$ 177,412</u>	<u>\$ 951,490</u>	<u>\$ 173,431</u>	<u>\$ 173,431</u>

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
(A NONPROFIT ORGANIZATION)

SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND
YEAR ENDED JUNE 30, 2022

	Other Programs							
	20-114 Private Contracts Baton Rouge	20-312 Dept. of Veterans Affairs Baton Rouge	20-626 Client Assistance Fund Baton Rouge	20-710 Adult Day Habilitation Baton Rouge	20-711 Adult Day Habilitation Baton Rouge	30-106 OJJ/YS Trackers Northshore	30-312 Dept. of Veterans Affairs Northshore	40-106 OJJ/YS Trackers Houma
Administrative and General	\$ 7,318	\$ 1,124	\$ -	\$ 143,441	\$ 2,306	\$ 30,304	\$ 29,100	\$ 70,635
Plant operation and capital asset costs	-	-	-	11,719	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	1,158	-	-	-	-
Personal client needs	-	-	408	-	-	-	-	-
Medical and nursing	100	-	-	877	-	-	-	-
Therapeutic and training	6,590	1,485	-	4,342	-	-	51,176	-
Recreational	-	-	-	1,390	-	-	-	-
Consultants	-	150	-	-	-	-	607	-
Subtotal programs	\$ 14,008	\$ 2,759	\$ 408	\$ 162,927	\$ 2,306	\$ 30,304	\$ 80,883	\$ 70,635
Subtotal administrative and general								
Administrative costs - allocated	5,548	1,093	-	78,221	913	13,075	34,899	22,651
Totals	<u>\$ 19,556</u>	<u>\$ 3,852</u>	<u>\$ 408</u>	<u>\$ 241,148</u>	<u>\$ 3,219</u>	<u>\$ 43,379</u>	<u>\$ 115,782</u>	<u>\$ 93,286</u>

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
(A NONPROFIT ORGANIZATION)

SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND
YEAR ENDED JUNE 30, 2022

	Other Programs							
	40-312 Dept. of Veterans Affairs Houma	40-400 SCLHSA Mental Health Houma	40-402 SCLHSA Clinic Staffing II Houma	40-415 Le Cirque Mentoring Houma	40-418 SCLHSA Life Skills Houma	50-106 OJJ/YS Trackers Lafayette	50-229 Intensive Consumer Care Lafayette	50-312 Dept. of Veterans Affairs Lafayette
Administrative and General	\$ 15,862	\$ 579,052	\$ 102,755	\$ 70,705	\$ 32,559	\$ 86,136	\$ 108,681	\$ 7,260
Plant operation and capital asset costs	-	-	-	621	-	-	2,319	-
Dietary, laundry & linen, and housekeeping	-	-	-	110	-	-	-	-
Personal client needs	-	-	-	-	-	-	14,985	-
Medical and nursing	-	-	-	-	-	-	-	275
Therapeutic and training	11,395	(17)	-	163	-	-	499	38,663
Recreational	-	-	-	13,919	-	221	-	-
Consultants	<u>580</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,035</u>
Subtotal programs	\$ 27,837	\$ 579,035	\$ 102,755	\$ 85,518	\$ 32,559	\$ 86,357	\$ 126,484	\$ 47,233
Subtotal administrative and general								
Administrative costs - allocated	<u>8,927</u>	<u>185,683</u>	<u>32,951</u>	<u>27,423</u>	<u>10,440</u>	<u>28,758</u>	<u>42,119</u>	<u>15,729</u>
Totals	<u>\$ 36,764</u>	<u>\$ 764,718</u>	<u>\$ 135,706</u>	<u>\$ 112,941</u>	<u>\$ 42,999</u>	<u>\$ 115,115</u>	<u>\$ 168,603</u>	<u>\$ 62,962</u>

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
(A NONPROFIT ORGANIZATION)

SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND
YEAR ENDED JUNE 30, 2022

	Other Programs						Total Programs	
	50-609 CART Lafayette	50-612 ROW Host Home Res. Opt. Lafayette	51-312 Dept. of Veterans Affairs Alexandria	52-312 Dept. of Veterans Affairs Lake Charles	60-312 Dept. of Veterans Affairs New Orleans	60-601 MHSD (Match) Mentor New Orleans	Subtotal Other Programs	Total Programs
Administrative and General	\$ 86,507	\$ 37,754	\$ 12,937	\$ 15,396	\$ 15	\$ 10	\$ 1,439,857	\$ 3,886,937
Plant operation and capital asset costs	1,516	-	-	-	-	-	16,175	16,175
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	1,268	31,948
Personal client needs	-	209	-	-	-	-	15,602	31,168
Medical and nursing	-	-	98	-	-	-	1,350	9,882
Therapeutic and training	-	7,064	76,035	14,650	-	-	212,045	6,837,834
Recreational	-	-	-	-	-	-	15,530	47,374
Consultants	-	495	-	-	-	-	2,867	38,146
Subtotal programs	\$ 88,023	\$ 45,522	\$ 89,070	\$ 30,046	\$ 15	\$ 10	\$ 1,704,694	\$ 10,899,464
Subtotal administrative and general								
Administrative costs - allocated	29,312	15,159	39,639	14,213	-	-	606,753	4,063,402
Totals	\$ 117,335	\$ 60,681	\$ 128,709	\$ 44,259	\$ 15	\$ 10	\$ 2,311,447	\$ 14,962,866

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
(A NONPROFIT ORGANIZATION)

SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND
YEAR ENDED JUNE 30, 2022

	Administrative and General							
	10-198	20-198	30-198	40-198	50-198	51-198	52-198	60-198
	Admin. Central	Admin. Baton Rouge	Admin. Hammond	Admin. Houma	Admin. Lafayette	Admin. Alexandria	Admin. Lake Charles	Admin. New Orleans
Administrative and General	\$ 1,592,662	\$ 426,074	\$ 116,907	\$ 375,516	\$ 258,867	\$ 355,348	\$ 156,968	\$ 207,492
Plant operation and capital asset costs	95,053	136,126	33,680	75,751	70,224	31,296	32,491	28,148
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	-	-	-	4,262	456	-	230	-
Medical and nursing	-	-	-	-	-	-	203	73
Therapeutic and training	-	77	-	-	-	993	124	-
Recreational	-	7	-	-	-	-	284	-
Consultants	-	-	-	-	-	-	-	-
Subtotal programs	\$ 1,687,715	\$ 562,284	\$ 150,587	\$ 455,529	\$ 329,547	\$ 387,637	\$ 190,300	\$ 235,713
Subtotal administrative and general								
Administrative costs - allocated	<u>(1,732,836)</u>	<u>(533,048)</u>	<u>(150,616)</u>	<u>(455,529)</u>	<u>(329,550)</u>	<u>(408,848)</u>	<u>(190,199)</u>	<u>(262,776)</u>
Totals	<u>\$ (45,121)</u>	<u>\$ 29,236</u>	<u>\$ (29)</u>	<u>\$ -</u>	<u>\$ (3)</u>	<u>\$ (21,211)</u>	<u>\$ 101</u>	<u>\$ (27,063)</u>

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
(A NONPROFIT ORGANIZATION)

SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND
YEAR ENDED JUNE 30, 2022

Administrative and General

	Subtotal General and Administrative	Totals-Program, Administrative and General Funds
	<u> </u>	<u> </u>
Administrative and General	\$ 3,489,834	\$ 7,376,771
Plant operation and capital asset costs	502,769	518,944
Dietary, laundry & linen, and housekeeping	-	31,948
Personal client needs	4,948	36,116
Medical and nursing	276	10,158
Therapeutic and training	1,194	6,839,028
Recreational	291	47,665
Consultants	<u>-</u>	<u>38,146</u>
Subtotal programs	\$ 3,999,312	\$ 14,898,776
Subtotal administrative and general		
Administrative costs - allocated	<u>(4,063,402)</u>	<u>-</u>
Totals	<u>\$ (64,090)</u>	<u>\$ 14,898,776</u>

SPECIAL REPORTS OF INDEPENDENT AUDITOR



BERNARD & FRANKS
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH V. FRANKS II, C.P.A.

NICHOLAS W. LAFRANZ III, C.P.A.

JAMES L. WHITE, C.P.A.

**INDEPENDENT AUDITORS' 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
Gulf Coast Teaching Family Services, Inc.
d/b/a Gulf Coast Social Services and Affiliate
New Orleans, 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 combined financial statements of Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services (both non-profit organizations) and its Affiliate, which comprise the combined statement of financial position as of June 30, 2022 and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated December 26, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and its Affiliate'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 Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and its Affiliate's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's combined 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 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.

This report is intended for the information of the Board of Directors, management, the State of Louisiana, the Legislative Auditor for the State of Louisiana, Federal Awarding Agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bernard & Franks

December 26, 2022

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

Section I – Summary of Auditor's Reports

1. The independent auditor's report expresses an unmodified opinion on the financial statements of Gulf Coast Teaching Family Services, Inc., d/b/a Gulf Coast Social Services and Affiliate were prepared in accordance with generally accepted accounting principles and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.
2. No significant deficiencies or material weaknesses in internal control were disclosed during the audit of the financial statements reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Prepared in accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Gulf Coast Teaching Family Services, Inc., d/b/a Gulf Coast Social Services and Affiliate were disclosed in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Prepared in accordance with *Government Auditing Standards*.
4. Expenditures of federal awards were less than \$750,000 for the year ended June 30, 2022 and the Organization is exempt from the audit requirements of *Uniform Guidance*.
5. No management letter was issued for the year ending June 30, 2022.

Section II – Findings - Financial Statement Audit

Internal Control Over Financial Reporting and Compliance And Other Matters Material To The Basic Financial Statements

Internal Control Over Financial Reporting

No internal control over financial reporting findings was reported during the audit for the year ending June 30, 2022.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the year ending June 30, 2022.

Section III - Findings and Questioned Costs – Major Federal Awards

This Organization did not expend Federal Awards over \$750,000. Therefore federal compliance testing is not applicable for the year ending June 30, 2022.

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
SUMMARY OF PRIOR YEAR'S AUDIT FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2022

**Section I – Internal Control over Financial Reporting and Compliance and Other Matters
Material to the Basic Financial Statements**

Internal Control over Financial Reporting

There were no findings regarding internal controls over financial reporting reported during the audit of the financial statements for June 30, 2021.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the financial statements for the year June 30, 2021.

Section II - Internal Control and Compliance Material to Federal Awards

There were no internal control and compliance findings during the audit regarding federal awards for the year ending June 30, 2021. Federal expenditures were not more than \$750,000.

Section III - Management Letter

A management letter was not issued in connection with the audit of the financial statements for the year ending June 30, 2021.

REPORTS BY MANAGEMENT



INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING STATEWIDE AGREED-UPON PROCEDURES

To the Board of Directors of
Gulf Coast Teaching Family Services, Inc.
d/b/a Gulf Coast Social Services and Affiliate
New Orleans, Louisiana
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate's (the "Organization") management is responsible for those C/C areas identified in the SAUPs.

Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021, through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the Organization's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the Organization's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
Result: There were no exceptions noted.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
Result: There were no exceptions noted.
 - c) **Disbursements**, including processing, reviewing, and approving.
Result: There were no exceptions noted.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Result: There were no exceptions noted.

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

Result: There were no exceptions noted.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Result: There were no exceptions noted.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Result: There were no exceptions noted.

- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Result: There were no exceptions noted.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the Organization's ethics policy.

Result: The Organization does have an ethics policy, but their policies are not defined under Louisiana Revised Statute (R.S.) 42:1111-1121. Therefore, this procedure is not applicable.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Result: The Organization is a nonprofit organization; therefore, the debt service agree-upon procedures do not apply.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application

of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Result: The Organization has implemented a cloud-based system in which software patches and updates, back-ups and are performed on a real time basis. The accounting system is available for use wherever the internet is accessible. Restoration of backups is available whenever needed.

- 1) ***Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Result: The Organization does have a sexual harassment policy, but their policies are not defined under Louisiana Revised Statute R.S. 42:342-344, due to their nonprofit status. Therefore, the sexual harassment agree-upon procedures do not apply.

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Results: There were no exceptions noted.

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the Organization's collections during the fiscal period.*

Results: There were no exceptions noted.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Results: The Organization is a nonprofit organization; therefore, this agree-upon procedure does not apply.

Bank Reconciliations

3. Obtain a listing of Organization bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the Organization's main operating account. Select the Organization's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Result: We obtained the required list with management's representation that the listing is complete.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Result: There were no exceptions noted.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Result: There were no exceptions noted.

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Result: There were no exceptions noted.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Result: We obtained the required list with management's representation that the listing is complete.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Result: We obtained the required list with management's representation that the listing is complete.

- a) Employees responsible for cash collections do not share cash drawers/registers.

Result: There were no exceptions noted.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Result: There were no exceptions noted.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Result: There were no exceptions noted.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Result: There were no exceptions noted.

- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Result: There were no exceptions noted.

- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

Result: There were no exceptions noted.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Result: There were no exceptions noted.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

Result: There were no exceptions noted.

- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

Result: There were no exceptions noted.

- e) Trace the actual deposit per the bank statement to the general ledger.

Result: There were no exceptions noted.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Result: We obtained the required list with management's representation that the listing is complete.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

Result: We obtained the required list with management's representation that the listing is complete.

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Result: There were no exceptions noted.

- b) At least two employees are involved in processing and approving payments to vendors.

Result: There were no exceptions noted.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Result: There were no exceptions noted.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Result: There were no exceptions noted.

10. For each location selected under #8 above, obtain the Organization's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the Organization.

Result: There were no exceptions noted.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Result: There were no exceptions noted.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Result: We obtained the required list with management's representation that the listing is complete.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

Result: There were no exceptions noted.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

Result: There were no exceptions noted.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Result: There were no exceptions noted.

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Result: We obtained the required list with management's representation that the listing is complete.

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Result: There were no exceptions noted.

- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Result: There were no exceptions noted.

- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Result: There were no exceptions noted.

- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Result: There were no exceptions noted.

Contracts

- 15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

Result: We obtained the required list with management's representation that the listing is complete.

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Result: This is not applicable, as the Organization did not have any contracts under the Louisiana Public Bid Law requirements.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law.

Result: There were no exceptions noted.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

Result: There were no exceptions noted.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Result: There were no exceptions noted.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Result: We obtained the required list with management's representation that the listing is complete.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

Result: There were no exceptions noted.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

Result: There were no exceptions noted.

- c) Observe any leave accrued or taken during the pay period is reflected in the Organization's cumulative leave records.

Result: There were no exceptions noted.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Result: There we no exceptions noted.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the Organization's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials authorized pay rates in the employee or officials' personnel files, and agree the termination payment to Organization policy.

Result: We obtained the required list with management's representation that the listing is complete. There were no exceptions noted.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Result: We obtained management's representation that employer and employee portions of third-party payroll related amounts have been paid, and any associated forms have been filed, by required deadlines. There were no exceptions noted.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above: obtain ethics documentation from management, and:
- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe whether the Organization maintains documentation which demonstrates each employee and official were notified of any changes to the Organization's ethics policy during the fiscal period, as applicable.

Result: The Organization does have an ethics policy but is not required to have training. Therefore, the ethics agreed-upon procedures is not applicable.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

Result: The Organization is a nonprofit organization; therefore, this agreed-upon procedure is not applicable.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Result: The Organization is a nonprofit organization; therefore, this agreed-upon procedure is not applicable.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the Organization reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the Organization is domiciled.

Result: The Organization represented that there were no misappropriations of public funds for the fiscal year. There were no exceptions noted.

24. Observe the Organization has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Result: There were no exceptions noted.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures:

- a) Obtain and inspect the Organization's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

Result: The Organization uses a cloud-based platform for its accounting and other operations. Backups are performed in real time and instant disaster recovery is available.

- b) Obtain and inspect the Organization's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

Result: The Organization uses a cloud-based platform for its accounting and other operations. Backups are performed in real time and instant disaster recovery is available.

- c) Obtain a listing of the Organization's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Result: We performed the procedure and discussed the results with management.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Result: The Organization is a nonprofit organization; therefore, this agreed-upon procedure is not applicable.

27. Observe the Organization has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the Organization’s premises if the Organization does not have a website).

Result: The Organization is a nonprofit organization; therefore, this agreed-upon procedure is not applicable.

28. Obtain the Organization’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

Result: The Organization is a nonprofit organization; therefore, this agreed-upon procedure is not applicable.

We were engaged by Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Bernard & Franks

December 26, 2022
Metairie, Louisiana