

**OFFICE OF NUTRITION ASSISTANCE, INC.
FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
WITH SUPPLEMENTAL INFORMATION
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Minda B. Raybourn

*Certified Public Accountant
Limited Liability Company*

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OFFICE OF NUTRITION ASSISTANCE, INC.
FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Office of Nutrition Assistance, Inc.
1001 NW Central Avenue
Amite, LA 70422

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Office of Nutrition Assistance, (a nonprofit organization), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Office of Nutrition Assistance, as of September 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Office of Nutrition Assistance’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 Office of Nutrition Assistance’s ability to continue as a going concern for a reasonable period of time.

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

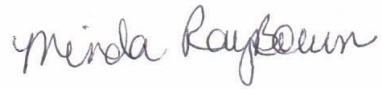
Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information in the audited statement of claims and schedule of meals served and program reimbursements as required by the Louisiana Department of Education and the schedule of compensation, benefits, and other payments to the agency head is also presented for purposes for additional analysis and is not part of the required 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, 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 March 30, 2024, on our consideration of Office of Nutrition Assistance’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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Office of Nutrition Assistance’s internal control over financial reporting or on compliance. That report is an integral part of an audit

performed in accordance with *Government Auditing Standards* in considering Office of Nutrition Assistance's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Minda Raybourn". The signature is written in black ink on a white background.

Minda Raybourn, CPA
Franklinton, LA
March 30, 2024

**OFFICE OF NUTRITION ASSISTANCE, INC.
STATEMENT OF FINANCIAL POSITION
YEAR ENDED SEPTEMBER 30, 2023**

ASSETS

Current Assets

Cash and cash equivalents	\$	7,128
Due from Department of Education		97,750
Total Current Assets/Total Assets		<u>104,878</u>

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable		1,744
Due to providers		96,581
Withholding taxes payable		2,215
Accrued salaries payable		12,825
Line of credit-Whitney Bank		4,801
Total Current Liabilities/Total Liabilities		<u>118,167</u>

Net Assets (Deficit)

With donor restrictions		-
Without donor restrictions		(13,288)
Total Net Assets (Deficit)		<u>(13,288)</u>

Total Liabilities and Net Assets (Deficit)	\$	<u>104,878</u>
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See accompanying notes to the financial statements.

OFFICE OF NUTRITION ASSISTANCE, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2023

UNRESTRICTED NET ASSETS	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND OTHER GAINS			
Provider reimbursement	\$ -	575,105	\$ 575,105
Administrative reimbursement	-	168,838	168,838
Fire inspections & other	9,916	-	9,916
Net assets released from restrictions	<u>743,943</u>	<u>(743,943)</u>	<u>-</u>
Total support and other gains	<u>753,859</u>	<u>-</u>	<u>753,859</u>
EXPENSES			
Program services	573,683	-	573,683
Supporting services	158,459	-	158,459
Fundraising contributions	-	-	-
Other expenses	<u>10,166</u>	<u>-</u>	<u>10,166</u>
Total expenses	<u>742,308</u>	<u>-</u>	<u>742,308</u>
CHANGE IN NET ASSETS	11,551	-	11,551
NET ASSETS (DEFICIT), BEGINNING	<u>(24,839)</u>	<u>-</u>	<u>(24,839)</u>
NET ASSETS (DEFICIT), ENDING	<u>\$ (13,288)</u>	<u>\$ -</u>	<u>\$ (13,288)</u>

See accompanying notes to the financial statements.

OFFICE OF NUTRITION ASSISTANCE, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from provider and administrative reimbursements	\$ 757,679
Cash received from other sources	9,916
Cash paid for program expenses	(585,092)
Cash paid to or on behalf of employees for services	(130,778)
Cash paid to suppliers for goods and services	(48,731)
Net cash used for operating services	<u>2,995</u>
CASH FLOWS FROM INVESTING ACTIVITIES	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Principal draws/payments on line of credit	(1,409)
Net cash provided by financing activities	<u>(1,409)</u>
CASH AND CASH EQUIVALENTS, BEGINNING	5,542
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 7,128</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH USED FOR OPERATING ACTIVITIES	\$ 11,551
Adjustments to reconcile change in net assets to net cash used for operating activities (Increase) decrease in assets:	
Due from Department of Education	14,947
Increase (decrease) in liabilities:	
Accounts payable	(5,794)
Due to providers	(11,409)
Withholding taxes payable	(1,082)
Accrued salaries payable	(5,218)
 NET CASH PROVIDED (USED) FOR OPEARTING ACTIVITIES	 <u><u>\$ 2,995</u></u>

See accompanying notes to the financial statements.

OFFICE OF NUTRITION ASSISTANCE, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2023

<u>ACCOUNT</u>	<u>PROGRAM</u>	<u>SUPPORTING</u>	<u>GENERAL</u>
Accounting and audit	\$ -	\$ 7,500	\$ -
Outside contract services	-	1,400	-
Bank Fees	-	295	-
Fire inspections	-	-	7,509
General	-	-	1,784
Insurance	-	1,559	-
Interest expense	-	-	873
Office expenses	-	8,565	-
Postage	-	4,139	-
Provider payments/support	573,683	-	-
Rent/occupancy	-	13,690	-
Salaries	-	91,499	-
Other costs	-	161	-
Payroll taxes	-	7,618	-
Printing/copying	-	3,790	-
Traning	-	623	-
Telephone & internet	-	6,795	-
Travel	-	6,325	-
Utilities	-	4,500	-
			-
TOTAL FUNCTIONAL EXPENSES	<u>\$ 573,683</u>	<u>\$ 158,459</u>	<u>\$ 10,166</u>

See accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

OFFICE OF NUTRITION ASSISTANCE INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Family Day Care Home Program of Office of Nutrition Assistance, Inc., (hereafter referred to as the Organization) was established to provide supervised provisions of meals. It serves an average of 118 homes per month to primarily low-income, disabled, elderly or other disadvantaged residents of Tangipahoa, St. Tammany and surrounding parishes. It engages in the U. S. Department of Agriculture Food and Nutrition Services under 7 CFR Part 226.

It operates on a fiscal year ending on September 30th, and its significant accounting policies are as follows:

Basis of presentation

The financial statements of Office of Nutrition Assistance, Inc. have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

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

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Measure of operations

The statements of activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature

OFFICE OF NUTRITION ASSISTANCE INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

Cash and Cash Equivalents

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

Receivables

Accounts receivable are stated at net realizable value. The Organization maintains allowances for doubtful accounts for estimated losses resulting from the inability of its customers/vendors to make required payments. Because collection is expected at 100%, an allowance for doubtful accounts has not been recorded.

Inventory

Inventory is stated at cost. It includes only office supplies and printed materials, the amount of which is considered immaterial. Therefore, the acquisition of these items is expensed when purchased, and the inventory on hand at year-end is not reported in the accompanying financial statements.

Property and Equipment

Property and equipment purchased by the Organization is recorded at cost. They are depreciated using the straight-line method over the estimated useful lives of the assets. Equipment with an original cost of \$5,000 or greater is generally capitalized. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Support and Expenses

The Organization reports administrative and program reimbursements on the accrual basis of accounting. The amounts due to providers are also reported on the accrual basis of accounting. A donor restriction applies to the program reimbursement, and the amount is shown as temporarily restricted net assets. When the donor restriction expires, that is, when the stipulated restriction ends by payments to providers, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted reimbursements whose restrictions are met in the same reporting period are reported as unrestricted support.

Expenses are recorded when incurred in accordance with the accrual basis of accounting. Advertising costs are expensed as incurred. There were no such costs during the current year.

OFFICE OF NUTRITION ASSISTANCE INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

Use of Estimates

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

Income Taxes

The Organization is a not-for-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The federal income tax returns of the company for fiscal years 2021, 2022, and 2023 are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

New Accounting Pronouncement

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842), which supersedes existing guidance for accounting for leases under Topic 840, *Leases*. The FASB also subsequently issued the following additional ASUs, which amend and clarify Topic 842: ASU 2018-01, *Land Easement Practical Expedient for Transition to Topic 842*; ASU 2018-10, *Codification Improvements to Topic 842, Leases*; ASU 2018-11, *Leases* (Topic 842): *Targeted Improvements*; ASU 2018-20, *Narrow-scope Improvements for Lessors*; and ASU 2019-01, *Leases* (Topic 842): *Codification Improvements*; ASU 2020-05, *Leases* (Topic 842): *Lessors—Certain Leases with Variable Lease Payments*; and ASU 2021-09, *Leases* (Topic 842): *Discount Rate for Lessees That Are Not Public Business Entities*. The most significant change in the new leasing guidance is the requirement to recognize right-to-use (ROU) assets and lease liabilities for operating leases on the statement of financial position. During the fiscal year, the Organization adopted the ASUs. The Organization had no leases that met the criteria of the standard

NOTE 2 – AVAILABILITY AND LIQUIDITY

The following represents the Organization’s financial assets at September 30, 2023:

Financial assets at year end:	
Cash and cash equivalents	\$ 7,128
Accounts Receivable	97,750
Financial assets available to meet	
general expenditures over the next twelve months	<u>104,878</u>
Less amounts to be used within 12 months:	
Provider expenditures	(96,581)
Total financial assets available for use	
over the next 12 months	<u><u>\$ 8,297</u></u>

OFFICE OF NUTRITION ASSISTANCE INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

The Organization's goal is to maintain financial assets to meet 3 months of operating expenses. As part its liquidity plan, cash is held in checking accounts.

NOTE 3 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of demand deposits totaling \$1,557 in the general fund. These funds are utilized at the discretion of management. The Organization has provider and administrative fund accounts of \$5,571. The administrative and provider accounts are to be utilized for the family day care home program.

NOTE 4 - RECEIVABLES

Receivables are stated at the amount the Organization expects to collect. Management considers all receivables to be collectible at year-end.

Receivables at year-end consist of the following:

Due from Department of Education \$97,750

NOTE 5 – ACCOUNTS AND OTHER PAYABLES

Payables at year end include the following:

Accounts payable	\$ 1,744
Payables to providers	96,581
Withholding taxes payable	2,215
Accrued salaries	12,825
Total	<u><u>\$ 113,366</u></u>

NOTE 6 - DEBT

The Organization has a line of credit with Hancock Bank. The original amount is \$10,000 dated March 18, 2016 with an interest rate of 8%. The maturity date is March 18, 2021. The line of credit was renewed to March 18, 2023. The organization make periodic payments.

The following chart shows the Organization's debt activity:

**OFFICE OF NUTRITION ASSISTANCE INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
LOC	\$ 6,210	\$ 4,000	\$ (5,409)	\$ 4,801
Total	<u>\$ 6,210</u>	<u>\$ 4,000</u>	<u>\$ (5,409)</u>	<u>\$ 4,801</u>

NOTE 7 – NET ASSETS

The Organization has a net deficit at the end of the year in the amount of (\$13,288). In order to increase the net assets to a positive balance, the Organization plans to hold several fundraising events in the near future and pursue grant opportunities.

NOTE 8 - RESTRICTIONS ON NET ASSETS

Substantially all of the restrictions on net assets relate to amounts requested from the State of Louisiana, Department of Education for reimbursement to the providers of meals through the Family Day Care Home Program of the U. S. Department of Agriculture Food and Nutrition Services under 7 CFR Part 226. The amount due to providers requested but not yet received at year end has been accrued in the accompanying financial statements and is listed in the note above.

NOTE 9 - FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the program and supporting services have been summarized on a functional basis in the schedule of functional expenses. Accordingly, certain costs have been allocated between the program and supporting services.

NOTE 10- CONCENTRATIONS

Cash and Cash Equivalents. Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At September 30, 2023, the Organization did not have bank balances in excess of FDIC insured limits. However, the collected balances exceed these limits in the provider's account for a few days each month. The Organization accepts this risk.

Receivables and Revenues. All receivables recorded are due from the Louisiana Department of Education, Division of Nutrition Assistance. Approximately 99% of the Organization's support is

OFFICE OF NUTRITION ASSISTANCE INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

paid by the Department of Education, State of Louisiana through the U.S. Department of Agriculture Food and Nutrition Services, Family Day Care Home Program, under 7 CFR Part 226.

Geographical Market. The Organization is approved to operate in the parishes of Tangipahoa, St. Tammany and surrounding parishes. Volume is dependent on the willing and eligible providers in these areas.

NOTE 11 – LEASES

The Organization has two leases:

- 1) The Organization leases an office building located at 1001 NW Central Avenue, Amite, Louisiana for \$675 per month. The lease is for twelve months. Due to the term being for one year, ASC 842 will not apply. The lease is considered an operating lease.
- 2) The Organization leases an office building located at 840 Farrington Drive, Marrero, Louisiana for \$500 per month. The lease is for twelve months. Due to the term being for one year, ASC 842 will not apply. The lease is considered an operating lease.

The Organization total lease expense was \$13,690 for the year.

NOTE 12 - LITIGATION

We are not aware of any pending or threatened litigation, claims or assessments that are required to be accrued or disclosed in this financial report.

NOTE 13 - SUBSEQUENT EVENTS

There were no subsequent events between the close of the fiscal year and April 11, 2023, the date on which the financial statements were available to be issued, that would materially impact the accompanying financial statements.

Minda B. Raybourn

*Certified Public Accountant
Limited Liability Company*

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees of
Office of Nutrition Assistance, Inc.
1001 NW Central Avenue
Amite, LA 70422

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of Office of Nutrition Assistance, (a nonprofit organization), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 30, 2024.

Report on Internal Control over Financial Reporting

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

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

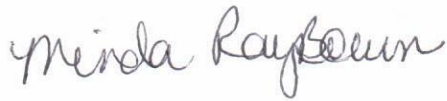
Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2023-001 and 2023-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Office of Nutrition Assistance's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* as items 2023-003 and 2023-004.

Purpose of This Report

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

A handwritten signature in cursive script that reads "Minda Raybourn".

Minda Raybourn CPA
Franklinton, LA 70438
March 30, 2024

OFFICE OF NUTRITION ASSISTANCE, INC.
AUDITED STATEMENT OF CLAIMS
YEAR ENDED SEPTEMBER 30, 2023

REIMBURSEMENT PER AUDIT

Administrative	\$ 168,838
Program-meals	<u>575,105</u>
Total reimbursement per audit	<u><u>743,943</u></u>

REIMBURSEMENTS CLAIMED AND RECEIVED

Administrative	168,838
Program-meals	<u>575,105</u>
Total reimbursement claims and received	<u><u>743,943</u></u>

(OVER) UNDER CLAIM	<u><u>\$ -</u></u>
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See Independent Auditor's Report.

OFFICE OF NUTRITION ASSISTANCE, INC.
SCHEDULE OF MEALS SERVED AND PROGRAM REIMBURSEMENTS
YEAR ENDED SEPTEMBER 30, 2023

MEALS SERVED	NUMBER SERVED BY MEAL TYPE				
	BREAKFAST	LUNCH	SUPPLEMENTS	SUPPER	TOTAL
From October 1, 2022 through June 30, 2023					
Tier 1	\$ 40,327	\$ 42,751	\$ 71,176	\$ 53,654	\$ 207,908
Reimbursement rate	1.66	3.04	0.97	3.04	
Total for period	66,943	129,963	69,041	163,108	429,055
From July 1, 2023 through September 30, 2023					
Tier 1	11,612	15,966	23,310	17,756	68,644
Reimbursement rate	1.65	3.12	0.93	3.12	
Total for period	19,160	49,814	21,678	55,399	146,051
TOTAL MEALS SERVED	51,939	58,717	94,486	71,410	276,552
NET REIMBURSEMENT	\$ 86,103	\$ 179,777	\$ 90,719	\$ 218,507	\$ 575,105

See Independent Auditor's Report.

**OFFICE OF NUTRITION ASSISTANCE, INC.
SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEAD
YEAR ENDED SEPTEMBER 30, 2023**

Agency Head: Suzanne Todd, Executive Director

Purpose:	
Salary	\$ 61,318
Benefits-FICA	4,691
Travel-monitoring visits	7,223
Total compensation, benefits, and other payments	<u>\$ 73,232</u>

See independent auditor's report.

**OFFICE OF NUTRITION ASSISTANCE, INC.
SCHEDULE OF CURRENT YEAR FINDINGS AND RESPONSES
YEAR ENDED SEPTEMBER 30, 2023**

Financial Statements

- a) Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

- b) Report on Internal Control and Compliance Material to the Financial Statements

Internal Control:

Material Weaknesses	Yes
Significant Deficiencies	No

Compliance:

Noncompliance Material to the Financial Statements	Yes
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Federal Awards-N/A

Was a management letter issued?	No
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OFFICE OF NUTRITION ASSISTANCE, INC.
SCHEDULE OF CURRENT YEAR FINDINGS AND RESPONSES
YEAR ENDED SEPTEMBER 30, 2023

Internal Control Findings

Finding 2023-001 Provider Bank Reconciliation

CRITERIA: A properly designed and implemented internal control system over financial reporting provides, among other things, reasonable assurance that financial data is accurate and complete and that Organization's assets are properly safeguarded. Bank accounts should be reconciled on a timely manner to ensure that the accounts are stated correctly and all deposits and disbursements are accounted.

CONDITION: The provider bank account is not reconciled.

CAUSE OF CONDITION: Providers are paid by direct deposit or check. The provider bank account was not reconciled and outstanding provider checks were not reconciled.

POTENTIAL EFFECT OF CONDITION: Misstatement of the financial statements.

RECOMMENDATION: The Organization should hire an external accountant to assist with reconciling the bank accounts each month.

MANAGEMENT RESPONSE: We will implement the auditor's recommendation.

PERSONNEL RESPONSIBLE: Suzanne Todd, Executive Director, 1001 NW Railroad Ave, Amite, LA 70422, Telephone (985) 747-6991.

Finding 2023-002 Written Policies and Procedures and Internal Controls

CRITERIA: The Organization should establish a system of internal controls to ensure accurate financial reporting and to safeguard assets.

CONDITION: The Organization has established a system of internal controls. However, some areas of the system could be enhanced by updated written policies and procedures to strengthen the area of internal controls.

CAUSE OF CONDITION: The Organization's internal controls are not strong.

POTENTIAL EFFECT OF CONDITION: Inaccurate financial reporting and lack of safeguarding of assets.

RECOMMENDATION: We recommend the following areas be incorporated into the written policies and procedures of the Organization:

- 1) 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.

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- 2) Disbursements, including processing, reviewing, and approving.
- 3) Receipts/Collections, including 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
- 4) Payroll/Personnel, including (1) payroll processing, and (2) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- 5) Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- 6) 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.
- 7) Travel and Expense Reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense.
- 8) Debt Service, including (1) debt issuance approval and (2) debt service requirements.
- 9) 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.

MANAGEMENT RESPONSE: We will follow the auditor's recommendation.

PERSONNEL RESPONSIBLE: Suzanne Todd, Executive Director, 1001 NW Railroad Ave, Amite, LA 70422, Telephone (985) 747-6991.

Finding 2023-003 Report Submittal

CRITERIA: Audit reports are due no later than six months after the close of the fiscal year.

CONDITION: The report was submitted past the statutory due date.

CAUSE OF CONDITION: Management was reconciling the accounts after the close of the fiscal year.

POTENTIAL EFFECT OF CONDITION: Noncompliance with state law.

RECOMMENDATION: Management should have policies and procedures in place to ensure all accounts are closed within a reasonable time frame after the close of the fiscal year.

MANAGEMENT RESPONSE: We will follow the auditor's recommendation.

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PERSONNEL RESPONSIBLE: Suzanne Todd, Executive Director, 1001 NW Railroad Ave, Amite, LA 70422, Telephone (985) 747-6991.

Finding 2023-004 Late Payment of Payroll Taxes

CRITERIA: Payroll taxes should be paid by required deadlines to ensure timely compliance.

CONDITON: The organization is a monthly depositor of federal payroll taxes; the due date is the 15th of each month following the payroll. The federal payroll taxes for October 2022, May 2023, June 2023, August 2023, and September 2023 were after the 15th and were late.

CAUSE OF CONDITION: Payment due dates were not complied with.

POTENTIAL EFFECT OF CONDITION: Late penalties and interest will accrue on late payments.

RECOMMENDATION: Management should comply with the required due dates as a monthly depositor of federal payroll taxes which is the 15th of the following month of the payroll.

MANAGEMENT RESPONSE: We will follow the auditor's recommendation.

PERSONNEL RESPONSIBLE: Suzanne Todd, Executive Director, 1001 NW Railroad Ave, Amite, LA 70422, Telephone (985) 747-6991.

OFFICE OF NUTRITION ASSISTANCE, INC.
SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES
YEAR ENDED SEPTEMBER 30, 2023

Internal Control Findings

Finding 2022-001 Provider Bank Reconciliation

CRITERIA: A properly designed and implemented internal control system over financial reporting provides, among other things, reasonable assurance that financial data is accurate and complete and that Organization's assets are properly safeguarded. Bank accounts should be reconciled on a timely manner to ensure that the accounts are stated correctly and all deposits and disbursements are accounted.

CONDITION: The provider bank account is not reconciled.

CAUSE OF CONDITION: Providers are paid by direct deposit or check. The provider bank account was not reconciled and outstanding provider checks were not reconciled.

POTENTIAL EFFECT OF CONDITION: Misstatement of the financial statements.

RECOMMENDATION: The Organization should hire an external accountant to assist with reconciling the bank accounts each month.

MANAGEMENT RESPONSE: We will implement the auditor's recommendation.

PERSONNEL RESPONSIBLE: Suzanne Todd, Executive Director, 1001 NW Railroad Ave, Amite, LA 70422, Telephone (985) 747-6991.

STATUS: Unresolved.

Finding 2022-002 Written Policies and Procedures and Internal Controls

CRITERIA: The Organization should establish a system of internal controls to ensure accurate financial reporting and to safeguard assets.

CONDITION: The Organization has established a system of internal controls. However, some areas of the system could be enhanced by updated written policies and procedures to strengthen the area of internal controls.

CAUSE OF CONDITION: The Organization's internal controls are not strong.

POTENTIAL EFFECT OF CONDITION: Inaccurate financial reporting and lack of safeguarding of assets.

RECOMMENDATION: We recommend the following areas be incorporated into the written policies and procedures of the Organization:

- 1) 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

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- 2) to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
- 3) Disbursements, including processing, reviewing, and approving.
- 4) Receipts/Collections, including 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
- 5) Payroll/Personnel, including (1) payroll processing, and (2) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- 6) Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- 7) 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.
- 8) Travel and Expense Reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense.
- 9) Debt Service, including (1) debt issuance approval and (2) debt service requirements.
- 10) 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.

MANAGEMENT RESPONSE: We will follow the auditor's recommendation.

PERSONNEL RESPONSIBLE: Suzanne Todd, Executive Director, 1001 NW Railroad Ave, Amite, LA 70422, Telephone (985) 747-6991.

STATUS: Unresolved.

Noncompliance Findings

Finding 2022-003 Report Submittal

CRITERIA: Audit reports are due no later than six months after the close of the fiscal year.

CONDITION: The report was submitted past the statutory due date.

CAUSE OF CONDITION: Management was reconciling the administrative bank accounts after the close of the fiscal year.

POTENTIAL EFFECT OF CONDITION: Noncompliance with state law.

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SCHEDULE OF CURRENT YEAR FINDINGS AND RESPONSES
YEAR ENDED SEPTEMBER 30, 2022

RECOMMENDATION: Management should have policies and procedures in place to ensure all accounts are closed within a reasonable time frame after the close of the fiscal year.

MANAGEMENT RESPONSE: We will follow the auditor's recommendation.

PERSONNEL RESPONSIBLE: Suzanne Todd, Executive Director, 1001 NW Railroad Ave, Amite, LA 70422, Telephone (985) 747-6991.

STATUS: Unresolved.

Minda B. Raybourn

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Member
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Member
LCPA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Trustees of Office Of Nutrition Assistance

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 October 1, 2022 through September 30, 2023. Office Of Nutrition Assistance's (the "entity") management is responsible for those C/C areas identified in the SAUPs.

The entity 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 October 1, 2022 through September 30, 2023. 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 entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

The entity does have these policies and procedures.

- 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.

The entity does not have these policies and procedures.

- c) **Disbursements**, including processing, reviewing, and approving.

The entity's policies and procedures address approving but not processing and reviewing.

- 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).

Receiving is addressed. Recording, preparing deposits, and completeness are not addressed.

- 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.

2 and 3 are addressed. 1 is not addressed.

- 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.

The entity does not have these policies and procedures.

- 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).

The entity does not have these policies and procedures.

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

The entity has policies and procedures for 3 and 4 but not 1 and 2.

- 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 entity's ethics policy.

This is not applicable to the entity.

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

The entity does not have these policies and procedures.

- 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.

The entity does not have these policies and procedures.

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

This is not applicable to the entity.

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.

No exceptions to this procedure.

- 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 entity's collections during the fiscal period.*

No exceptions to this procedure.

- 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.

This is not applicable.

- d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Finding 2022-002 was updated. Finding 2022-001 and 2022-003 were not updated.

Bank Reconciliations

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

The listing of bank accounts and management's representation were obtained. The main operating accounting and 3 additional accounts were selected.

- 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);

Bank reconciliations were not prepared within 2 months of the statement date.

- 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

The director reconciles the bank account. The board members are provided copies at the board meetings.

- 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.

The provider bank account was not reconciled.

Collections (excluding electronic funds transfers The entity's funding is electronically deposited so this is not applicable.

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).
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:

- a) Employees responsible for cash collections do not share cash drawers/registers.
 - 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.
 - 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.
 - 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.
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.
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.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - 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).
 - e) Trace the actual deposit per the bank statement to the general ledger.

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).

Management's representation was obtained. The entity has one location that processes payments.

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:

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

The executive director has the authority to initiate purchase requests, and approve the purchase.

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

The executive director has the authority to process and approve payments. Board members are provided a listing of payments at the board meeting for approval.

- 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.

The board approves all new vendors or modifications to be added to the list.

- 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.

A separate employee will mail the checks at the post office.

- e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

The executive director has the authority to process and approve payments. Board members are provided a listing of payments at the board meeting for approval.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

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

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

No exceptions to this procedure.

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

The executive director has the authority to process and approve payments.

11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

No exceptions to this procedure.

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

12. 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.

A listing and management's representation were provided.

13. 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. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

The executive director has the authority to use the card and approve purchases.

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

No exceptions to this procedure.

14. 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.

No exceptions to this procedure.

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

15. 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:

The listing of travel expenses and management’s representation were obtained.

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).

No exceptions to this procedure.

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

No exceptions to this procedure.

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).

No exceptions to this procedure.

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

No exceptions to this procedure.

Contracts

16. 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:

Management's listing and management's representations were obtained.

- 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.

No exceptions to this procedure.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

The executive director has the authority to enter into contracts.

- 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).

This was not applicable.

- 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.

There were no exceptions to this procedure.

Payroll and Personnel

17. 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.

A listing and management's representation were obtained.

18. 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.)

No exceptions to this procedure.

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

No exceptions to this procedure.

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

No exceptions to this procedure.

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

No exceptions to this procedure.

- 19. 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 entity'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 entity policy.

No employees were terminated.

- 20. 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.

All payroll taxes were paid. All required payroll forms were filed. The quarterly state withholding taxes were paid late. The entity does not have retirement, health insurance, or garnishments.

Ethics The entity is a non-profit. This is not applicable.

- 21. 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 entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Debt Service

- 22. 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.

No debt was issued during the fiscal period.

23. 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).

No exceptions to this procedure.

Fraud Notice

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

Management asserted there were not misappropriations. Management's representations were obtained.

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

No exception to this procedure.

Information Technology Disaster Recovery/Business Continuity

26. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

I performed the procedure and discussed the results with management.

- b) Obtain and inspect the entity'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.

I performed the procedure and discussed the results with management.

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

I performed the procedure and discussed the results with management.

27. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

I performed the procedure and discussed the results with management.

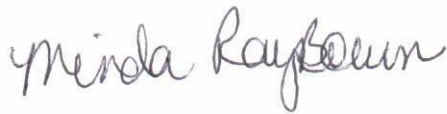
Sexual Harassment The entity is a non-profit. This is not applicable.

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

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

We are required to be independent of the entity 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.

A handwritten signature in cursive script that reads "Minda Raybourn".

Minda B. Raybourn CPA
Franklinton, LA
March 30, 2024