

**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, 2018 AND 2017**

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

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**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.

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

JAMES L. WHITE, C.P.A.

## INDEPENDENT AUDITOR'S 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

We have audited the accompanying combined financial statements of Gulf Coast Teaching Family Services, Inc., d/b/a Gulf Coast Social Services and Affiliate (a nonprofit organization), which comprise the combined statements of financial position as of June 30, 2018 and 2017, and the related combined statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Gulf Coast Teaching Family Services, Inc., d/b/a Gulf Coast Social Services and Affiliate's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of

Gulf Coast Teaching Family Services, Inc., d/b/a Gulf Coast Social Services and Affiliate's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

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

### **Opinion**

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying schedules of the Combined Statement of Revenues and Expenses by Cost Report Category Grouping (Schedule 1) and Combined Statement of Expenses by Program/Fund (Schedule 2 and Schedule of Compensation, Benefits and Other Payments to the Chief Executive Officer (Schedule 3) is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combined 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 19, 2018, 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 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 Gulf Coast Teaching Family Services, Inc., d/b/a Gulf Coast Social Services and Affiliate's internal control over financial reporting and compliance.

December 19, 2018



**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, 2018 AND 2017**

ASSETS	2018	2017
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 707,193	\$ 831,385
Investments-certificates of deposit	198,269	-
Investment securities	204,589	856,036
Program receivables (less allowance for doubtful accounts of \$50,000 and \$50,000)	1,137,368	1,164,389
Prepaid expenses	116,474	123,877
Total current assets	\$ 2,363,893	\$ 2,975,687
<b>PROPERTY AND EQUIPMENT - AT COST</b>		
Land	\$ 527,282	\$ 527,282
Building and improvements	2,904,601	2,897,578
Software	267,302	247,791
Leasehold improvements	82,093	82,093
Furniture and equipment	934,167	919,384
Transportation equipment	125,471	125,472
	\$ 4,840,916	\$ 4,799,600
Less accumulated depreciation and amortization	(2,625,184)	(2,463,515)
	\$ 2,215,732	\$ 2,336,085
<b>OTHER ASSETS</b>		
Deposits	\$ 19,479	\$ 10,989
Restricted cash-money market	600,000	493,877
Total other assets	\$ 619,479	\$ 504,866
Total assets	\$ 5,199,104	\$ 5,816,638

See Notes to Financial Statements.

LIABILITIES AND NET ASSETS	<u>2018</u>	<u>2017</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 59,511	\$ 122,418
Accrued liabilities	<u>744,329</u>	<u>733,167</u>
 Total current liabilities	 <u>\$ 803,840</u>	 <u>\$ 855,585</u>
 <b>COMMITMENTS AND CONTINGENCIES</b>	 <u>\$ -</u>	 <u>\$ -</u>
 <b>UNRESTRICTED NET ASSETS</b>	 <u>\$ 4,395,264</u>	 <u>\$ 4,961,053</u>
  Total liabilities and net assets	  <u><u>\$ 5,199,104</u></u>	  <u><u>\$ 5,816,638</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, 2018 AND 2017**

UNRESTRICTED NET ASSETS

	2018	2017
REVENUE, GAINS, AND SUPPORT:		
Grants and fees for services	\$ 13,112,201	\$ 13,779,983
Contributions	4,097	1,100
Investment income	14,190	7,477
Other income	9,983	8,867
TOTAL UNRESTRICTED REVENUES, GAINS AND SUPPORT	\$ 13,140,471	\$ 13,797,427
EXPENSES:		
Program Services		
Foster Care/Professional Care	\$ 399,743	\$ 404,254
Personal care attendants	4,680,463	5,041,422
Supervised independent living	4,436,273	4,809,079
Respite services	105,442	96,177
Homeless/Housing	104,961	90,060
Elderly Services	106,148	96,969
Others, in total	1,437,806	1,269,995
Total program expenses	\$ 11,270,836	\$ 11,807,956
Support Services		
Administrative and general	\$ 2,435,424	\$ 2,677,367
Total support services	\$ 2,435,424	\$ 2,677,367
TOTAL EXPENSES	\$ 13,706,260	\$ 14,485,323
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	\$ (565,789)	\$ (687,896)
NET ASSETS, BEGINNING OF YEAR	4,961,053	5,648,949
NET ASSETS, END OF YEAR	\$ 4,395,264	\$ 4,961,053

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, 2018**

	Program Services				
	Professional	Personal	Supervised	Respite	Housing/
	Foster Care	Care Attendants	Independent Living	Services	Homeless
Salaries and wages	\$ 121,874	\$ 4,022,347	\$ 3,802,615	\$ 84,768	\$ 45,555
Employee benefits	2,403	24,065	24,766	149	276
Payroll taxes	8,886	305,109	286,628	6,446	3,375
Workmen's compensation	3,409	114,942	108,055	2,599	533
Total payroll cost	<u>\$ 136,572</u>	<u>\$ 4,466,463</u>	<u>\$ 4,222,064</u>	<u>\$ 93,962</u>	<u>\$ 49,739</u>
Office supplies	\$ 233	\$ 8,712	\$ 9,615	\$ 36	\$ -
Advertising	256	691	1,242	-	-
Bad debts	50	3,380	12,228	2,721	-
Telephone	4,383	11,435	13,320	60	340
Training	330	982	662	330	-
Travel	1,302	45,495	48,861	5,205	454
HUD supporting services	-	-	-	-	14,583
Professional services	-	269	20	-	10,253
Insurance	-	-	-	-	-
Repairs and maintenance	-	3,090	3,184	-	-
Depreciation	-	-	-	-	-
Interest	-	-	-	-	-
Lease expense	2,106	94,071	66,902	-	1,776
HUD rental assistance	-	-	-	-	-
Client needs	4,586	593	1,683	-	26,976
Room and board	78,136	-	-	-	-
Contractual services	155,982	-	-	-	-
Utilities	418	6,130	6,793	-	-
Consultants	-	5,634	12,563	-	-
Computer expense	-	453	28	-	-
Recognition expense	75	4,111	5,800	-	-
Care facilities fees	-	-	-	-	-
Rental expenses	-	50	50	-	-
Food	-	-	52	-	-
Life skills training	-	-	-	-	-
Medical supplies	-	5,593	5,659	-	-
Others, in total	15,314	23,311	25,547	3,128	840
Total direct expenses	<u>\$ 399,743</u>	<u>\$ 4,680,463</u>	<u>\$ 4,436,273</u>	<u>\$ 105,442</u>	<u>\$ 104,961</u>

See Notes to Financial Statements.

Program Services			Supporting Services		
Elderly Services	Other Programs	Total Program Services	Administrative and General	Total Supporting	Total
\$ 83,280	\$ 984,918	\$ 9,145,357	\$ 1,329,174	\$ 1,329,174	\$ 10,474,531
1,130	9,065	61,854	21,781	21,781	83,635
6,145	72,709	689,298	115,811	115,811	805,109
2,247	25,056	256,841	4,834	4,834	261,675
<u>\$ 92,802</u>	<u>\$ 1,091,748</u>	<u>\$ 10,153,350</u>	<u>\$ 1,471,600</u>	<u>\$ 1,471,600</u>	<u>\$ 11,624,950</u>
\$ 519	\$ 3,725	\$ 22,840	\$ 25,287	\$ 25,287	\$ 48,127
260	70,054	72,503	9,178	9,178	81,681
106	7,120	25,605	75	75	25,680
488	9,572	39,598	73,925	73,925	113,523
4	982	3,290	5,950	5,950	9,240
2,856	41,237	145,410	14,467	14,467	159,877
-	-	14,583	-	-	14,583
-	68,923	79,465	258,155	258,155	337,620
-	19,657	19,657	159,974	159,974	179,631
394	17,271	23,939	82,380	82,380	106,319
-	1,075	1,075	157,232	157,232	158,307
-	-	-	-	-	-
4,648	15,593	185,096	27,064	27,064	212,160
-	-	-	-	-	-
-	11,205	45,043	-	-	45,043
-	-	78,136	-	-	78,136
-	-	155,982	-	-	155,982
355	3,293	16,989	40,184	40,184	57,173
-	315	18,512	-	-	18,512
15	1,197	1,693	17,234	17,234	18,927
136	461	10,583	19,747	19,747	30,330
-	-	-	-	-	-
-	-	100	295	295	395
-	-	52	-	-	52
-	-	-	-	-	-
184	310	11,746	47	47	11,793
3,381	74,068	145,589	72,630	72,630	218,219
<u>\$ 106,148</u>	<u>\$ 1,437,806</u>	<u>\$ 11,270,836</u>	<u>\$ 2,435,424</u>	<u>\$ 2,435,424</u>	<u>\$ 13,706,260</u>

**d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE  
(A NONPROFIT ORGANIZATION)**

**COMBINED STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2017**

	Program Services				
	<i>Professional Foster Care</i>	<i>Personal Care Attendants</i>	<i>Supervised Independent Living</i>	<i>Respite Services</i>	<i>Housing/ Homeless</i>
Salaries and wages	\$ 141,631	\$ 4,268,566	\$ 4,066,695	\$ 71,709	\$ 34,121
Employee benefits	1,759	26,293	30,181	16	134
Payroll taxes	10,434	322,613	305,797	5,447	2,326
Workmen's compensation	4,272	133,628	125,962	2,283	352
Total payroll cost	<u>\$ 158,096</u>	<u>\$ 4,751,100</u>	<u>\$ 4,528,635</u>	<u>\$ 79,455</u>	<u>\$ 36,933</u>
Office supplies	\$ 567	\$ 8,391	\$ 8,599	\$ 54	\$ -
Advertising	-	519	752	-	-
Bad debts	1,192	24,021	55,003	3,523	-
Telephone	3,783	11,798	10,349	1,331	217
Training	378	2,999	1,704	666	-
Travel	2,100	45,249	57,100	4,678	25
HUD supporting services	-	-	-	-	11,024
Professional services	-	1,243	986	-	13,416
Insurance	2,824	19,840	16,448	926	450
Repairs and maintenance	299	7,423	4,435	115	-
Depreciation	-	-	-	-	-
Interest	-	-	-	-	-
Lease expense	2,242	95,200	60,823	14	881
HUD rental assistance	-	-	-	-	-
Client needs	5,278	1,644	4,373	-	25,111
Room and board	85,287	-	-	-	-
Contractual services	119,893	-	-	-	-
Utilities	716	6,076	5,659	-	-
Consultants	-	11,169	9,618	-	-
Computer expense	60	582	-	-	-
Recognition expense	310	12,972	8,324	275	89
Care facilities fees	-	-	-	-	-
Rental expenses	-	50	50	-	-
Food	-	-	-	-	737
Life skills training	-	-	-	-	-
Medical supplies	298	6,853	5,515	-	-
Others, in total	20,931	34,293	30,706	5,140	1,177
Total direct expenses	<u>\$ 404,254</u>	<u>\$ 5,041,422</u>	<u>\$ 4,809,079</u>	<u>\$ 96,177</u>	<u>\$ 90,060</u>

See Notes to Financial Statements.

Program Services			Supporting Services		
<i>Elderly Services</i>	<i>Other Programs</i>	Total Program Services	Administrative and General	Total Supporting	Total
\$ 77,962	\$ 909,046	\$ 9,569,730	\$ 1,468,272	\$ 1,468,272	\$ 11,038,002
510	8,373	67,266	25,949	25,949	93,215
5,920	67,994	720,531	150,304	150,304	870,835
2,555	25,403	294,455	31,085	31,085	325,540
<u>\$ 86,947</u>	<u>\$ 1,010,816</u>	<u>\$ 10,651,982</u>	<u>\$ 1,675,610</u>	<u>\$ 1,675,610</u>	<u>\$ 12,327,592</u>
\$ 162	\$ 3,926	\$ 21,699	\$ 36,049	\$ 36,049	\$ 57,748
-	20,977	22,248	8,642	8,642	30,890
346	19,807	103,892	358	358	104,250
245	8,407	36,130	82,396	82,396	118,526
-	1,019	6,766	7,390	7,390	14,156
2,093	32,925	144,170	26,284	26,284	170,454
-	-	11,024	-	-	11,024
-	50,677	66,322	231,211	231,211	297,533
362	28,103	68,953	113,343	113,343	182,296
1,420	18,573	32,265	71,900	71,900	104,165
-	12,625	12,625	193,653	193,653	206,278
-	-	-	-	-	-
3,454	15,927	178,541	30,419	30,419	208,960
-	-	-	-	-	-
-	10,613	47,019	-	-	47,019
-	-	85,287	-	-	85,287
-	-	119,893	-	-	119,893
306	3,065	15,822	38,796	38,796	54,618
-	-	20,787	-	-	20,787
-	330	972	45,792	45,792	46,764
190	472	22,632	15,127	15,127	37,759
-	-	-	-	-	-
-	-	100	-	-	100
-	-	737	-	-	737
-	631	631	-	-	631
287	95	13,048	-	-	13,048
1,157	31,007	124,411	100,397	100,397	224,808
<u>\$ 96,969</u>	<u>\$ 1,269,995</u>	<u>\$ 11,807,956</u>	<u>\$ 2,677,367</u>	<u>\$ 2,677,367</u>	<u>\$ 14,485,323</u>

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
**d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE**  
**(A NONPROFIT ORGANIZATION)**  
**COMBINED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2018 AND 2017**

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease ) in unrestricted net assets	\$ (565,789)	\$ (687,896)
Adjustments to reconcile increase in unrestricted net assets to net cash provided by operating activities:		
Depreciation	161,669	210,319
Unrealized (gain) loss on investments	(11,627)	2,842
Gain on sale of property	-	3,165
Loss on sale of investments	27,978	22,286
Changes in assets and liabilities:		
(Increase) decrease in program receivables	27,021	279,630
(Increase) decrease in prepaid expenses	7,403	(5,412)
Increase (decrease) in accounts payable and accrued liabilities	(51,745)	(107,225)
Net cash provided by (used in) operating activities	\$ (405,090)	\$ (282,291)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	\$ 653,100	\$ 1,961,483
Purchases of certificates of deposit	(198,840)	-
Purchase of investments	(17,433)	(2,324,287)
Increase in restricted cash	(106,123)	(350,000)
Purchases of property and equipment	(41,316)	(47,836)
Deposits (made) returned	(8,490)	(167)
Net cash used in investing activities	\$ 280,898	\$ (760,807)
Net increase (decrease) in cash and cash equivalents	\$ (124,192)	\$ (1,043,098)
Cash and cash equivalents, beginning of year	831,385	1,874,483
Cash and cash equivalents, end of year	\$ 707,193	\$ 831,385

See Notes to Financial Statements

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
**d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**JUNE 30, 2018 AND 2017**

**NOTE 1 – ORGANIZATION**

Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate is a nonprofit 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 their families and provides a program, which will give the young people and their families an opportunity to become normalized, independent, productive and respected citizens of the community. These services are provided in the South Louisiana area.

Gulf Coast's Affiliate is Independent Living Properties, Inc. which is a nonprofit corporation organized under the State 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/or mental disabilities. The program also locates and serves runaways and homeless youth through prevention, crisis intervention and follows up services.

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

Supported Independent Living (SIL) - The SIL program works with individuals with mental and /or physical disabilities and for older adolescents in need of extra support, assistance and monitoring.

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

Housing/Homeless – Supportive Housing and services to assist the homeless transition into temporary housing and later to permanent housing. Services include but are not limited to assistance in finding housing, acquiring necessary furnishings, integration into the community and establishing community supports. 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 COMBINED FINANCIAL STATEMENTS**  
**JUNE 30, 2018 AND 2017**

**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 assisting with activities, finding resources and encouraging interactions with other persons with similar interest.

**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 and Financial Statement Presentation**

The accompanying financial statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles.

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, accordingly, the Organization is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions. In addition, the Organization is required to present a statement of cash flows. At present, all of the Organizations funds are included in the unrestricted category.

Contributions received are recorded as unrestricted, temporarily or permanently restricted support, depending on the existence and/or nature of any donor restrictions. As of June 30, 2018 and 2017, the Organization has not received any contributions with donor-imposed restrictions that would result in temporarily or permanently restricted net assets.

**2. 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.

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
**d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2018 AND 2017**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Income Taxes**

The Organization is a nonprofit 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 2016, 2017 and 2018 are subject to examination by the IRS, generally for three years after they were filed.

**4. Cash and Cash Equivalents**

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

For the purpose of statements of cash flows, the Organization considers all highly liquid investments available for current use and no restrictions 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 balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. At June 30, 2018 and 2017 \$359,349 and \$291,886, respectively, of cash was in excess of the FDIC insured limits, respectively.

**5. Allowance For Doubtful Accounts**

The Organization has established an allowance for doubtful accounts in order to allow for corrections and billing adjustments that may be related to accounts receivable balances at June 30, 2018 and 2017.

Actual billing adjustments and bad debts, if any, are charged to the specific fund or programs as determined by management. Bad debt expense for the years ended June 30, 2018 and 2017 was \$25,680 and \$104,250, respectively.

**6. 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.

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2018 AND 2017**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**6. Depreciation and Amortization (Continued)**

When assets are retired or disposed of, the cost and related accumulated depreciation are removed from the accounts, and 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 betterments are capitalized. Donated property is capitalized at fair value. Depreciation and amortization expense amounted to \$158,307 and \$206,278 for the years ended June 30, 2018 and 2017, respectively.

**7. Compensated Absences**

Accumulated paid time off is payable upon termination of employment and is accrued. Gulf Coast's obligation as of June 30, 2018 and 2017 totaled \$312,142 and \$310,234, respectively, which is included in accrued expenses on the Statement of Financial Position.

**8. Program Revenues**

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

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

**9. Allocated Costs**

Expenses are charged to each program directly when the charge is identified to the program. Program expenditures which cannot be directly identified to a program are allocated based on square footage, usage statistics and 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 in the amount of \$2,328,009 and \$2,677,367 to the various programs it administered during the years ended June 30, 2018 and 2017, respectively. The allocation is based on proportion of direct program cost to total direct program costs. These allocated costs are included in Administrative and General Expenses in the Statement of Activities.

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**10. Contributions**

Contributed property and equipment is recorded at fair value at the date of donation. If the donors stipulate how long the assets must be used, the contribution is recorded as restricted support. In the absence of such stipulation, contributions of property and equipment are recorded as unrestricted support. To date, all contributions have been included in unrestricted support.

**11. In Kind - Matching**

Some grant agreements require that the Organization provide matching funds in the form of cash, in-kind contributions, or a combination of cash and in-kind contributions. A cash match represents cash contributed by the Organization or expenditures paid by the Organization from funds from sources other than the grants. In-kind match primarily represents donated materials, equipment, rental space and services usable by the Organization.

In-kind match contributions are recorded as in-kind contributions in the general ledger and an equal amount is recorded as 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.

**12. Certificates of Deposit**

Certificates of deposit held for investment that are not debt securities are included in "investments-certificate of deposit". The certificates of deposit have remaining maturity dates less than one year and are classified as short-term investments-certificate of deposit.

**13. 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 passage of time or by use) in the reporting period in which the income and gains are recognized.

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**14. Fair Value Measurement Standard**

Accounting Standard Codification (ASC) *Fair Value Measurements* establishes a framework for measuring fair value in accordance with Generally Accepted Accounting Principles (GAAP) and disclosures about the 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 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full 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 used maximize the use of observable inputs and minimize the use of 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;
- 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).

**15. 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.

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**JUNE 30, 2018 AND 2017**

**NOTE 3 – RESTRICTED CASH**

The Organization had restricted cash of \$600,000 and \$493,877 for the years ended June 30, 2018 and 2017, respectively.

In accordance with the unemployment insurance fund, the Organization maintained a restricted reserve balance of \$250,000 and \$143,877 for the years ended June 30, 2018 and 2017, respectively.

The Organization also maintains a cash reserve for a line of credit of \$350,000. The line of credit was unused for the years ended June 30, 2018 and 2017.

**NOTE 4 – CERTIFICATE OF DEPOSIT**

The certificates of deposit balances at June 30, 2018 and 2017, held with various financial institutions, was \$198,269 and \$0, respectively.

The Organization holds several certificates of deposit with maturity dates from January 2019 through April 2019 bearing annual interest rates ranging from 1.11% to 3.86%.

**NOTE 5 – INVESTMENT SECURITIES**

Investment securities at June 30, 2018 and 2017 consist of the following:

As of June 30, 2018:

Recurring fair value instruments: Description	Cost	Quoted Prices Active Markets (Level 1)	Realized Loss	Unrealized (Gain) Loss
Fidelity GNMA Fund	\$ -	\$ -	\$ (10,803)	\$ -
Vanguard-GNMA-Admiral CI	215,748	204,589	(17,174)	(11,159)
	<u>\$ 215,748</u>	<u>\$ 204,589</u>	<u>\$ (27,977)</u>	<u>\$ (11,159)</u>

As of June 30, 2017:

Recurring fair value instruments: Description	Cost	Quoted Prices Active Markets (Level 1)	Realized Loss	Unrealized (Gain) Loss
Fidelity GNMA Fund	\$ 352,560	\$ 344,535	\$ (4,043)	\$ (8,026)
Putnam Absolute Return 100-A	-	-	(18,242)	20,357
Vanguard-GNMA-Admiral CI	526,262	511,501	-	(14,761)
	<u>\$ 878,822</u>	<u>\$ 856,036</u>	<u>\$ (22,285)</u>	<u>\$ (2,430)</u>

Interest income for the years ended June 30, 2018 and 2017 was \$14,190 and \$31,690, respectively.

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
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**JUNE 30, 2018 AND 2017**

**NOTE 6 – PROGRAM RECEIVABLES**

Program receivables consist of reimbursements for expenses incurred or revenue earned on fee for service and per-diem contracts. Program receivables consist of the following as of June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Department of Health and Human Services	\$ 32,086	\$ 18,332
Medicaid	828,437	896,804
U.S. Department of Housing and Urban Development	13,556	12,218
U.S. Department of Juvenile Justice and Delinquency Prevention	22,688	28,812
State of Louisiana:		
Department of Public Safety and Corrections	-	-
Office of Mental Health	41,406	30,117
Office of Community Services	79,227	59,430
Office of Citizens with Developmental Disabilities	-	550
Other:		
Capital Area Agency on Aging	12,402	7,053
Terrebonne Parish Consolidated Government	28,348	55,374
South Central LA Human Services	68,621	78,938
Private	16,230	15,488
JPHSA	-	-
LRS – LA	956	-
Veterans Affairs	35,198	9,200
Other	<u>8,214</u>	<u>1,977</u>
Subtotal	\$ 1,187,379	\$ 1,214,389
Less: Allowance for Doubtful Accounts	<u>(50,000)</u>	<u>(50,000)</u>
Total, net	<u>\$ 1,137,368</u>	<u>\$ 1,164,389</u>

**NOTE 7 – SUBSEQUENT EVENTS**

Management of the Organization has evaluated subsequent events affecting the Organization through the date the financial statements were issued which was December 19, 2018. All disclosures considered necessary are made in these financial statements. Three significant events have taken place in that period.

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2018 AND 2017**

**NOTE 8 – ACCRUED LIABILITIES**

Accrued liabilities consist of the following at June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Accrued salaries and payroll taxes	\$ 411,850	\$ 402,303
Compensated absences	312,142	310,234
Other	<u>20,338</u>	<u>20,630</u>
Total	<u>\$ 744,330</u>	<u>\$ 733,167</u>

**NOTE 9 – LEASES**

The Organization leases facilities and equipment under operating leases expiring through the year 2022. Rental expense related to these leases was \$212,160 and \$208,960 for the years ended June 30, 2018 and 2017, respectively. Minimum future rental payments due under these leases as of June 30, 2018 are as follows:

Year Ending <u>June 30,</u>	Minimum <u>rental payments</u>
2019	\$ 55,899
2020	37,214
2021	12,098
2022	<u>4,489</u>
Total	<u>\$ 109,700</u>

Management expects that in the normal course of business leases will be renewed or replaced by other leases.

**NOTE 10 – UNEMPLOYMENT INSURANCE FUND**

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

Actual payments to the State for Unemployment benefits paid totaled \$22,150 in 2018 and \$46,066 in 2017.

All known claims as of June 30, 2018 have been recorded in the financial statements.

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2018 AND 2017**

**NOTE 11 – ECONOMIC DEPENDENCY**

The Organization receives a majority 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. If significant budget cuts are effected at the federal and/or state level, the amount of the funds the Organization receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Organization will receive in the next fiscal year.

**NOTE 12 – CONTINGENCIES**

Programs administered by the Organization are subject to review and audit by the various funding agencies. Accordingly, any disallowed payments which may arise as a result of these audits, may be recovered by the funding agencies in subsequent years.

**NOTE 13 – PENSION PLAN**

Effective January 1, 2005, the Organization established the GCTFS Matching Retirement Plan. The new Plan is a 403(b) plan with an employer matching provision. 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 1000 hours of service. The Plan is on a calendar year end and has two entry dates – January 1 and July 1. Employees are allowed to make a salary deferral election up to the IRS limits allowed. The Plan has a discretionary matching contribution equal to a uniform percentage of the salary deferral amount with a six (6) percent limit. The Organization did not make an employer matching contribution for the years ended June 30, 2018 and 2017.

## **SUPPLEMENTARY INFORMATION**

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
**d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE**  
**(A NONPROFIT ORGANIZATION)**  
**SCHEDULE 1 - COMBINED STATEMENT OF REVENUES**  
**AND EXPENSES BY COST REPORT GROUPING**  
**YEARS ENDED JUNE 30, 2018 AND 2017**

	2018	2017
<b>REVENUE</b>		
Programs	\$ 13,112,201	\$ 13,779,983
Donations	4,097	1,100
Interest income	14,190	7,477
Other income	9,983	8,867
	<u>\$ 13,140,471</u>	<u>\$ 13,797,427</u>
 <b>EXPENSES</b>		
Administrative and general	\$ 5,579,885	\$ 5,801,814
Plant operation and maintenance	521,162	562,309
Dietary, laundry, and linen	1,248	1,507
Personal client needs	45,043	47,019
Therapeutic and training	7,511,691	8,026,579
Medical and nursing	11,793	13,048
Recreational	16,926	12,260
Consultants	18,512	20,787
	<u>\$ 13,706,260</u>	<u>\$ 14,485,323</u>
 <b>INCREASE (DECREASE)</b>		
<b>IN UNRESTRICTED NET ASSETS</b>	<u>\$ (565,789)</u>	<u>\$ (687,896)</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, 2018

	Foster Care				Personal Care Attendants		
	20-105 Regular Foster Care Baton Rouge TIPS # 020008014	40-105 Regular Foster Care Houma TIPS	60-105 Foster Care New Orleans TIPS Provider # 010007819	Subtotal Foster Care	20-101 Personal Care Attendant Baton Rouge Provider # 1912913	20-119 PCS Baton Rouge Provider # 1173703	30-101 Personal Care Attendant Hammond Provider # 1690082
Administrative and General	\$ 35,460	\$ 1,102	\$ 109,731	\$ 146,293	\$ 154,856	\$ 899	\$ 82,248
Plant operation and capital asset costs	799	438	1,287	2,524	4,297	-	16,156
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-
Personal client needs	-	-	4,586	4,586	100	-	-
Medical and nursing	-	-	-	-	1,242	-	602
Therapeutic and training	50,272	-	195,766	246,038	691,675	26,038	245,516
Recreational	-	-	302	302	38	-	-
Consultants	-	-	-	-	-	-	2,661
Subtotal programs	\$ 86,531	\$ 1,540	\$ 311,672	\$ 399,743	\$ 852,208	\$ 26,937	\$ 347,183
Subtotal administrative and general							
Administrative costs - allocated	24,994	308	77,586	102,888	227,870	9,017	53,794
Totals	\$ 111,525	\$ 1,848	\$ 389,258	\$ 502,631	\$ 1,080,078	\$ 35,954	\$ 400,977

GULF COAST TEACHING FAMILY SERVICES, INC.  
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SCHEDULE 2 - COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND  
YEAR ENDED JUNE 30, 2018

	Personal Care Attendants							
	30-119 PCS Hammond Provider # 1173789	40-101 Personal Care Attendant Houma TIPS Provider # 1935166	40-102 Children's Choice Waiver Houma Provider # 2179870	40-111 PCA Waiting Houma	40-117 EPSDT Houma	40-119 PCS Houma Provider # 1173720	40-412 SCLHSA PCA Houma	
Administrative and General	\$ 11,297	\$ 167,857	\$ 9,958	\$ -	\$ 7,309	\$ 30,113	\$ 15,747	
Plant operation and capital asset costs	1,703	24,058	913	128	369	4,617	1,643	
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	
Personal client needs	-	-	-	-	-	40	77	
Medical and nursing	69	871	-	-	-	-	-	
Therapeutic and training	26,113	867,699	45,271	-	32,035	152,344	60,639	
Recreational	-	-	-	-	-	-	-	
Consultants	-	880	-	-	-	-	-	
Subtotal programs	<u>\$ 39,182</u>	<u>\$ 1,061,365</u>	<u>\$ 56,142</u>	<u>\$ 128</u>	<u>\$ 39,713</u>	<u>\$ 187,114</u>	<u>\$ 78,106</u>	
Subtotal administrative and general								
Administrative costs - allocated	<u>6,069</u>	<u>212,496</u>	<u>11,240</u>	<u>26</u>	<u>7,951</u>	<u>37,462</u>	<u>15,638</u>	
Totals	<u><u>\$ 45,251</u></u>	<u><u>\$ 1,273,861</u></u>	<u><u>\$ 67,382</u></u>	<u><u>\$ 154</u></u>	<u><u>\$ 47,664</u></u>	<u><u>\$ 224,576</u></u>	<u><u>\$ 93,744</u></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, 2018

	Personal Care Attendants							Subtotal Personal Care Attendant
	50-101 Personal Care Attendants Lafayette TIPS #1910384	51-101 Personal Care Attendant Alexandria Provider # 1910384	52-101 PCA Lake Charles Provider # 1984205	60-101 Personal Care Attendant New Orleans Provider # 1910686	60-115 Traumatic Brain Injury New Orleans	60-117 EPSDT New Orleans Provider # 1912913	60-119 PCS New Orleans Provider # 1173754	
Administrative and General	\$ 162,189	\$ 51,735	\$ 88,567	\$ 77,342	\$ 65	\$ 1,854	\$ 2,958	\$ 864,994
Plant operation and capital asset costs	30,168	1,881	15,221	1,946	-	139	102	103,341
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	75	-	274	27	-	-	-	593
Medical and nursing	1,575	568	666	-	-	-	-	5,593
Therapeutic and training	581,227	230,647	374,509	306,664	1,502	21,653	36,391	3,699,923
Recreational	7	-	299	41	-	-	-	385
Consultants	712	479	623	279	-	-	-	5,634
Subtotal programs	<u>\$ 775,953</u>	<u>\$ 285,310</u>	<u>\$ 480,159</u>	<u>\$ 386,299</u>	<u>\$ 1,567</u>	<u>\$ 23,646</u>	<u>\$ 39,451</u>	<u>\$ 4,680,463</u>
Subtotal administrative and general								
Administrative costs - allocated	<u>140,817</u>	<u>54,553</u>	<u>79,600</u>	<u>96,509</u>	<u>375</u>	<u>5,910</u>	<u>9,634</u>	<u>968,961</u>
Totals	<u><u>\$ 916,770</u></u>	<u><u>\$ 339,863</u></u>	<u><u>\$ 559,759</u></u>	<u><u>\$ 482,808</u></u>	<u><u>\$ 1,942</u></u>	<u><u>\$ 29,556</u></u>	<u><u>\$ 49,085</u></u>	<u><u>\$ 5,649,424</u></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, 2018

	Supervised Independent Living									Subtotal Supervised Independent Living
	20-103 Supervised Living Title XIX Baton Rouge Provider # 1912913	30-103 SIL- Title XIX Hammond Provider # 1690082	40-103 SIL Title XIX Houma Provider # 1935166	50-103 SIL- Title XIX Lafayette Provider # 1910384	50-113 Independent Living Program Lafayette CFMS # 718168	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	
Administrative and General	\$ 159,581	\$ 32,029	\$ 154,507	\$ 212,967	\$ -	\$ 281,620	\$ 76,878	\$ 54,761	\$ 49	\$ 972,392
Plant operation and capital asset costs	6,116	7,050	13,536	27,281	261	5,643	15,221	1,781	39	76,928
Dietary, laundry & linen, and housekeeping	-	-	52	-	-	-	-	-	-	52
Personal client needs	591	-	(1,174)	2,144	-	-	122	-	-	1,683
Medical and nursing	1,496	236	-	1,750	-	1,511	666	-	-	5,659
Therapeutic and training	496,205	74,832	593,632	659,113	-	1,031,097	345,268	166,356	3	3,366,506
Recreational	38	-	-	43	-	395	-	14	-	490
Consultants	798	-	4,795	1,770	-	4,338	862	-	-	12,563
Subtotal programs	\$ 664,825	\$ 114,147	\$ 765,348	\$ 905,068	\$ 261	\$ 1,324,604	\$ 439,017	\$ 222,912	\$ 91	\$ 4,436,273
Subtotal administrative and general										
Administrative costs - allocated	177,247	17,689	153,230	164,280	-	248,688	72,780	57,292	79	891,285
Totals	\$ 842,072	\$ 131,836	\$ 918,578	\$ 1,069,348	\$ 261	\$ 1,573,292	\$ 511,797	\$ 280,204	\$ 170	\$ 5,327,558

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SCHEDULE 2 - COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND  
YEAR ENDED JUNE 30, 2018

	Respite					Homeless Housing			Elderly Services	
	20-426 Short Term Respite Baton Rouge	40-426 Nicholls- Respite & Training Houma	60-102 Respite New Orleans	60-426 Short Term Respite New Orleans	Subtotal Respite	40-600 HUD The Network Houma	40-605 The Network II Homeless Shelter Houma	Subtotal Homeless Housing	30-118 EDA Elderly Services Northshore Provider # 1690082	30-120 Service for the Elderly Northshore
Administrative and General	\$ (98)	\$ 2,721	\$ 951	\$ 81,325	\$ 84,899	\$ 68,244	\$ 7,887	\$ 76,131	\$ 4,751	\$ 17,597
Plant operation and capital asset costs	-	-	-	-	-	876	900	1,776	8	2,578
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-	-	-
Personal client needs	-	-	-	-	-	15,170	11,806	26,976	-	-
Medical and nursing	-	-	-	-	-	-	-	-	-	68
Therapeutic and training	-	-	13,997	5,304	19,301	62	-	62	11,008	15,055
Recreational	-	-	78	1,164	1,242	16	-	16	-	-
Consultants	-	-	-	-	-	-	-	-	-	-
Subtotal programs	<u>\$ (98)</u>	<u>\$ 2,721</u>	<u>\$ 15,026</u>	<u>\$ 87,793</u>	<u>\$ 105,442</u>	<u>\$ 84,368</u>	<u>\$ 20,593</u>	<u>\$ 104,961</u>	<u>\$ 15,767</u>	<u>\$ 35,298</u>
Subtotal administrative and general										
Administrative costs - allocated	<u>(26)</u>	<u>544</u>	<u>3,598</u>	<u>21,025</u>	<u>25,141</u>	<u>16,891</u>	<u>4,123</u>	<u>21,014</u>	<u>2,441</u>	<u>5,469</u>
Totals	<u><u>\$ (124)</u></u>	<u><u>\$ 3,265</u></u>	<u><u>\$ 18,624</u></u>	<u><u>\$ 108,818</u></u>	<u><u>\$ 130,583</u></u>	<u><u>\$ 101,259</u></u>	<u><u>\$ 24,716</u></u>	<u><u>\$ 125,975</u></u>	<u><u>\$ 18,208</u></u>	<u><u>\$ 40,767</u></u>

GULF COAST TEACHING FAMILY SERVICES, INC.  
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE  
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SCHEDULE 2 - COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND  
YEAR ENDED JUNE 30, 2018

	Elderly Services					Other Programs				
	30-121 Elderly Services Northshore	30-124 St. Tammany Council on Aging Northshore	40-118 EDA Waiver Houma Provider # 1935166	40-120 Services for the Elderly Houma	Subtotal Elderly Services	10-114 Private Contracts	20-107 OJJ/YS Mentors Baton Rouge	20-114 Private Contracts Baton Rouge	20-626 Client Assistance Fund Baton Rouge	20-710 Adult Day Habilitation Baton Rouge
Administrative and General	\$ 10,570	\$ 16,533	\$ 120	\$ -	\$ 49,571	\$ 20,768	\$ 37,450	\$ 23,497	\$ -	\$ 140,567
Plant operation and capital asset costs	2,322	496	-	-	5,404	-	513	-	-	3,595
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-	-	1,196
Personal client needs	-	-	-	-	-	-	-	1,120	(90)	6
Medical and nursing	66	50	-	-	184	-	-	-	-	262
Therapeutic and training	16,877	7,681	370	(2)	50,989	-	-	7,923	-	2,527
Recreational	-	-	-	-	-	-	95	-	-	929
Consultants	-	-	-	-	-	-	-	-	-	-
Subtotal programs	\$ 29,835	\$ 24,760	\$ 490	\$ (2)	\$ 106,148	\$ 20,768	\$ 38,058	\$ 32,540	\$ (90)	\$ 149,082
Subtotal administrative and general										
Administrative costs - allocated	4,624	3,843	98	-	16,475	-	13,722	8,455	-	50,007
Totals	\$ 34,459	\$ 28,603	\$ 588	\$ (2)	\$ 122,623	\$ 20,768	\$ 51,780	\$ 40,995	\$ (90)	\$ 199,089

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, 2018

	Other Programs							
	20-711 Adult Day Habilitation Baton Rouge	30-106 OJJ/YS Trackers Northshore	30-107 OJJ/YS Mentors Northshore	30-114 Private Pay Northshore	30-312 Dept. of Veterans Affairs Northshore	40-106 OJJ/YS Trackers Houma	40-114 Private Pay Houma	40-312 Dept. of Veterans Affairs Houma
Administrative and General	\$ 5,859	\$ 1,848	\$ 19,735	\$ 16,606	\$ 10,845	\$ 29,219	\$ 17,065	\$ 6,739
Plant operation and capital asset costs	316	-	1,738	-	1,607	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	-	-	-	-	-	-	-	-
Medical and nursing	-	-	-	-	48	-	-	-
Therapeutic and training	-	-	-	-	11,248	-	47,777	6,758
Recreational	-	-	171	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-
Subtotal programs	<u>\$ 6,175</u>	<u>\$ 1,848</u>	<u>\$ 21,644</u>	<u>\$ 16,606</u>	<u>\$ 23,748</u>	<u>\$ 29,219</u>	<u>\$ 64,842</u>	<u>\$ 13,497</u>
Subtotal administrative and general								
Administrative costs - allocated	<u>1,604</u>	<u>287</u>	<u>3,351</u>	<u>2,571</u>	<u>3,682</u>	<u>5,850</u>	<u>12,982</u>	<u>2,702</u>
Totals	<u><u>\$ 7,779</u></u>	<u><u>\$ 2,135</u></u>	<u><u>\$ 24,995</u></u>	<u><u>\$ 19,177</u></u>	<u><u>\$ 27,430</u></u>	<u><u>\$ 35,069</u></u>	<u><u>\$ 77,824</u></u>	<u><u>\$ 16,199</u></u>

Other Programs

	40-400 SCLIISA Mental Health Houma	40-402 SCLHSA Clinic Staffing II Houma	40-415 Lc Cirque Mentoring Houma	40-418 SCLHSA Life Skills Houma	40-422 Community Psychiatric Support Houma	40-430 Crime Victim's Assistance Houma	50-106 OJJ/YS Trackers Lafayette	50-107 OJJ/YS Mentors Lafayette
Administrative and General	\$ 337,618	\$ 33,947	\$ 105,472	\$ 56,254	\$ 6,973	\$ 8,038	\$ 9,546	\$ 34,970
Plant operation and capital asset costs	443	-	3,577	-	-	-	5	1,002
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	-	-	-	-	-	-	-	-
Medical and nursing	-	-	-	-	-	-	-	-
Therapeutic and training	-	-	11,220	559	-	-	-	-
Recreational	-	-	13,061	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-
Subtotal programs	<u>\$ 338,061</u>	<u>\$ 33,947</u>	<u>\$ 133,330</u>	<u>\$ 56,813</u>	<u>\$ 6,973</u>	<u>\$ 8,038</u>	<u>\$ 9,551</u>	<u>\$ 35,972</u>
Subtotal administrative and general								
Administrative costs - allocated	<u>67,683</u>	<u>6,797</u>	<u>26,694</u>	<u>11,375</u>	<u>1,396</u>	<u>1,609</u>	<u>1,733</u>	<u>6,528</u>
Totals	<u><u>\$ 405,744</u></u>	<u><u>\$ 40,744</u></u>	<u><u>\$ 160,024</u></u>	<u><u>\$ 68,188</u></u>	<u><u>\$ 8,369</u></u>	<u><u>\$ 9,647</u></u>	<u><u>\$ 11,284</u></u>	<u><u>\$ 42,500</u></u>

Other Programs

	50-114 Private Pay Lafayette	50-229 Intensive Consumer Care Lafayette	50-508 OCS Parent Training Lafayette CFMS # 664386	50-609 CART Lafayette	50-612 ROW Host Home Res. Opt. Lafayette	51-114 Private Pay Alexandria	51-312 Dept. of Veterans Affairs Alexandria	52-114 Private Contracts Lake Charles	60-114 Private Pay New Orleans
Administrative and General	\$ 16,068	\$ 104,741	\$ 8,896	\$ 102,117	\$ 59,694	\$ 12,549	\$ 1,048	\$ 5,374	\$ 34,124
Plant operation and capital asset costs	-	1,249	1,797	1,973	2,503	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-	-
Personal client needs	6	9,965	-	-	198	-	-	-	-
Medical and nursing	-	-	-	-	-	-	-	-	-
Therapeutic and training	172	-	-	-	-	9,623	3,930	2,194	3,644
Recreational	-	-	-	-	-	191	-	-	25
Consultants	-	-	-	-	315	-	-	-	-
Subtotal programs	<u>\$ 16,246</u>	<u>\$ 115,955</u>	<u>\$ 10,693</u>	<u>\$ 104,090</u>	<u>\$ 62,710</u>	<u>\$ 22,363</u>	<u>\$ 4,978</u>	<u>\$ 7,568</u>	<u>\$ 37,793</u>
Subtotal administrative and general									
Administrative costs - allocated	<u>964</u>	<u>21,043</u>	<u>1,940</u>	<u>18,890</u>	<u>11,368</u>	<u>4,114</u>	<u>917</u>	<u>1,255</u>	<u>9,050</u>
Totals	<u><u>\$ 17,210</u></u>	<u><u>\$ 136,998</u></u>	<u><u>\$ 12,633</u></u>	<u><u>\$ 122,980</u></u>	<u><u>\$ 74,078</u></u>	<u><u>\$ 26,477</u></u>	<u><u>\$ 5,895</u></u>	<u><u>\$ 8,823</u></u>	<u><u>\$ 46,843</u></u>

GULF COAST TEACHING FAMILY SERVICES, INC.

#REF!

(A NONPROFIT ORGANIZATION)

SCHEDULE 2 - COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND

#REF!

	Other Programs			Total Programs	Administrative and General				
	60-601 MHSD (Match) Mentor New Orleans	60-611 Forever Families New Orleans	Subtotal Other Programs	Total Programs	10-198 Admin. Central	20-198 Admin. Baton Rouge	30-198 Admin. Hammond	40-198 Admin. Houma	50-198 Admin. Lafayette
Administrative and General	\$ 6,129	\$ -	\$ 1,273,756	\$ 3,468,036	\$ 1,289,749	\$ 238,041	\$ 22,679	\$ 188,821	\$ 114,361
Plant operation and capital asset costs	60	-	20,378	210,351	57,146	14,603	331	32,835	5,738
Dietary, laundry & linen, and housekeeping	-	-	1,196	1,248	-	-	-	-	-
Personal client needs	-	-	11,205	45,043	-	-	-	-	-
Medical and nursing	-	-	310	11,746	-	-	-	47	-
Therapeutic and training	7,968	612	116,155	7,498,974	-	3,146	761	5,558	739
Recreational	19	-	14,491	16,926	-	-	-	-	-
Consultants	-	-	315	18,512	-	-	-	-	-
Subtotal programs	\$ 14,176	\$ 612	\$ 1,437,806	\$ 11,270,836	\$ 1,346,895	\$ 255,790	\$ 23,771	\$ 227,261	\$ 120,838
Subtotal administrative and general									
Administrative costs - allocated	3,529	147	302,245	2,328,009	(1,423,265)	(255,790)	(23,771)	(227,058)	(120,920)
Totals	\$ 17,705	\$ 759	\$ 1,740,051	\$ 13,598,845	\$ (76,370)	\$ -	\$ -	\$ 203	\$ (82)

	Administrative and General				Independent Living Properties				
	51-198 Admin. Alexandria	52-198 Admin. Lake Charles	60-198 Admin. New Orleans	Subtotal General and Administrative	10-010 2400 Edenborn Central	10-198 Admin. Baton Rouge	20-198 Admin. Baton Rouge	20-710 Day Hab Baton Rouge	51-198 Jackson Street Admin. Office Alexandria
Administrative and General	\$ 95,426	\$ 36,208	\$ 126,537	\$ 2,111,822	\$ -	\$ -	\$ -	\$ 27	\$ -
Plant operation and capital asset costs	6,059	5,738	5,251	127,701	70,540	607	-	77,321	17,553
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-	-
Personal client needs	-	-	-	-	-	-	-	-	-
Medical and nursing	-	-	-	47	-	-	-	-	-
Therapeutic and training	1,482	-	1,031	12,717	-	-	-	-	-
Recreational	-	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-	-
Subtotal programs	\$ 102,967	\$ 41,946	\$ 132,819	\$ 2,252,287	\$ 70,540	\$ 607	\$ -	\$ 77,348	\$ 17,553
Subtotal administrative and general									
Administrative costs - allocated	(102,885)	(41,947)	(132,373)	(2,328,009)	-	-	-	-	-
Totals	\$ 82	\$ (1)	\$ 446	\$ (75,722)	\$ 70,540	\$ 607	\$ -	\$ 77,348	\$ 17,553

Independent Living Properties

	60-198 2400 Edenborn New Orleans	Total Independent Living Properties	Total General and Administrative	Totals-Program, Administrative and General Funds
Administrative and General	\$ -	\$ 27	\$ 2,111,849	\$ 5,579,885
Plant operation and capital asset costs	17,089	183,110	310,811	521,162
Dietary, laundry & linen, and housekeeping	-	-	-	1,248
Personal client needs	-	-	-	45,043
Medical and nursing	-	-	47	11,793
Therapeutic and training	-	-	12,717	7,511,691
Recreational	-	-	-	16,926
Consultants	-	-	-	18,512
Subtotal programs	<u>\$ 17,089</u>	<u>\$ 183,137</u>	<u>\$ 2,435,424</u>	<u>\$ 13,706,260</u>
Subtotal administrative and general				
Administrative costs - allocated	<u>-</u>	<u>-</u>	<u>(2,328,009)</u>	<u>-</u>
Totals	<u><u>\$ 17,089</u></u>	<u><u>\$ 183,137</u></u>	<u><u>\$ 107,415</u></u>	<u><u>\$ 13,706,260</u></u>

**SPECIAL REPORTS OF INDEPENDENT AUDITOR**

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
**d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE**  
**(A NONPROFIT ORGANIZATION)**  
**SCHEDULE 4 - SCHEDULE OF COMPENSATION**  
**YEAR ENDED JUNE 30, 2018**

Agency Head Name: Mr. Rick Hardie, Chief Executive Officer

Purpose:	Total
Salary	\$ 134,007
Benefits-car allowance	13,200
Benefits-medical insurance	5,098
Benefits-dental	150
Benefits-Flex spending	318
Benefits-403B	24,533
Cell Phone	900
Total	\$ 178,206



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

To the Board of Directors  
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 nonprofit organizations) and its Affiliate, which comprise the combined statement of financial position as of June 30, 2018 and 2017, and the related combined statements of activities, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated December 19, 2018.

**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, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the 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 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.

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.

A handwritten signature in cursive script that reads "Bernard & Franks".

December 19, 2018

**SCHEDULE OF FINDINGS AND RESPONSES**

**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, 2018**

**Section I – Summary of Auditor’s Results**

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting

- Material Weakness (es) identified? \_\_\_\_\_ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weakness \_\_\_\_\_ Yes X None reported

Noncompliance material to the financial statements noted? \_\_\_\_\_ Yes X No

Federal Awards

The Organization did not exceed over \$750,000 of federal awards for the year ended June 30, 2018; therefore, the Organization was not subject to OMB Circular A-133 and its requirements.

**Section II – 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 noted during the audit for the year ended June 30, 2018 related to internal control over financial reporting.

**Compliance and Other Matters**

There were no findings of internal control and compliance during the audit regarding federal awards for the year ended June 30, 2018.

**Section III - Federal Award Findings and Questioned Costs**

This section is not applicable for the year ended June 30, 2018.

## **REPORTS BY MANAGEMENT**

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
**d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE**  
**SUMMARY OF PRIOR YEAR'S FINDINGS AND RESPONSES**  
**YEAR ENDED JUNE 30, 2018**

**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 for the financial statements for the year June 30, 2017.

**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, 2017.

**Section II - Internal Control and Compliance Material to Federal Awards**

There were no findings of internal control and compliance during the audit regarding federal awards for the year ended June 30, 2017.

**Section III - Management Letter**

A management letter was not issued in connection with the audit of the financial statements for the year ended June 30, 2017.

**GULF COAST TEACHING FAMILY SERVICES, INC.  
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE  
MANAGEMENT'S CORRECTIVE ACTION PLAN  
YEAR ENDED JUNE 30, 2018**

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

**Internal Control over Financial Reporting**

No material weaknesses were reported during the audit of the financial statements for the year ended June 30, 2018.

No significant deficiencies were reported during the audit of the financial statements for the year ended June 30, 2018.

**Compliance and Other Matters**

No compliance findings material to the financial statements were reported during the audit for the year ended June 30, 2018.

**Section II - Internal Control and Compliance Material to Federal Awards**

This is not applicable for the year ended June 30, 2018.

**Section III - Management Letter**

A management letter was not issued in connection with the audit for the year ended June 30, 2018.

**LOUISIANA COMPLIANCE QUESTIONNAIRE  
(For Audit Engagements of Quasi-Public Agencies)**

\_\_\_\_\_ (Date Transmitted)

Bernard and Franks, A Corporation of Certified Public Accountants (CPA Firm Name)

4141 Veterans Boulevard, Suite 313 \_\_\_\_\_ (CPA Firm Address)

Metairie, Louisiana 70002 \_\_\_\_\_ (City, State Zip)

In connection with your audit of our financial statements as of Gulf Coast Social Services, Inc. d/b/a Gulf Coast Teaching Family Services, Inc and for June 30, 2018 (period of audit) for the purpose of expressing an opinion as to the fair presentation of our financial statements in accordance with accounting principles generally accepted in the United States of America, to assess our internal control structure as a part of your audit, and to review our compliance with applicable laws and regulations, we confirm, to the best of our knowledge and belief, the following representations. These representations are based on the information available to us as of July 12, 2018 (date completed/date of the representations).

**PART I. Agency Profile**

1. Name and address of the organization.

Gulf Coast Social Services, Inc. d/b/a Gulf Coast Teaching Family Services, Inc.

2. List names, addresses, and telephone numbers of entity officials. Include elected/appointed members of the governing board, chief executive and fiscal officer, and legal counsel.

1. Willie Green, President/CEO, 833 Howard Ave, Ste 301, NOLA 70113, (504) 831-6561
2. Scott St. Cyr, Chair, 628 Bancroft Way, Baton Rouge, LA 70808, (225) 767-3136
3. Bruce Kuehne, Vice Chair, 10839 Perkins Dr., Baton Rouge, LA 70810, (225) 767-7186
4. Helen Siegel, Treasurer, 201 St. Charles Ave., Ste 4411, NOLA 70170 (504) 581-5005
5. Barbara Rathbun, Secretary, 517 Spartan Dr., Slidell, LA 70458, (504) 323-2360
6. Marianne Thompson, Board Member, 7823 Dominican St., NOLA 70118, (504) 861-9533
7. Eugene J. Green, Jr., Board Member, 4939 St. Roch Ave., NOLA 70122, (504) 287-3832

3. Period of time covered by this questionnaire.

July 1, 2017 - June 30, 2018

4. The entity has been organized under the following provisions of the Louisiana Revised Statute(s) (R.S.) and, if applicable, local resolutions/ordinances.

501 (c)(3)

5. Briefly describe the public services provided.

Gulf Coast Social Services empowers people with mental, physical, behavioral, and other challenges to improve the quality of their lives and to live as independently as possible in the community.

6. Expiration date of current elected/appointed officials' terms.

12/31/19

**Part II. Federal, State, and Local Awards**

7. We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes  No

8. All transactions relating to federal grants have been properly recorded within our accounting records and reported to the appropriate federal grantor officials.

Yes  No

9. All transactions relating to state grants have been properly recorded within our accounting records and reported to the state grantor officials.

Yes  No

10. All transactions relating to local grants have been properly recorded within our accounting records and reported to the appropriate local grantor officials.

Yes  No

11. The reports filed with federal agencies are properly supported by books of original entry and supporting documentation.

Yes  No

12. The reports filed with state agencies are properly supported by books of original entry and supporting documentation.

Yes  No

13. The reports filed with local agencies are properly supported by books of original entry and supporting documentation.

Yes  No

14. We have complied with all applicable compliance requirements of all federal programs we administer,

Yes  No

15. We have complied with all applicable specific requirements of all state programs we administer, to include matters contained in the grant awards.

Yes  No

16. We have complied with all applicable specific requirements of all local programs we administer, to include matters contained in the grant awards.

Yes  No

17. We have provided you with all communications from grantors concerning noncompliance with or deficiencies in administering grant programs.

Yes  No

**Part III. Public Records**

18. We are familiar with the Public Records Act and have made available to the public those records as required by R.S. 44:33.

Yes  No

**Part IV. Open Meetings**

19. Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website to determine whether a non-profit agency is subject to the open meetings law.**

NOT APPLICABLE

Yes [ ] No [ ]

**Part V. Budget**

20. For each federal grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes [X] No [ ]

21. For each grant received from the state, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose, duration, specific goals and objectives, and measures of performance.

Yes [X] No [ ]

22. For each local grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes [X] No [ ]

**Part VI. Reporting**

23. We have had our financial statements audited in a timely manner in accordance with R.S. 24:513.

Yes [X] No [ ]

24. We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Not Applicable

Yes [ ] No [ ]

25. We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [X] No [ ]

The previous responses have been made to the best of our belief and knowledge. We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur subsequent to the issuance of your report.

<u>Barbara Rattb</u>	Secretary	<u>12/28/18</u>	Date
	Treasurer		Date
<u>W. Ode Green</u>	President	<u>12/28/18</u>	Date