

WEESE PROVIDERS CORPORATION
Batchelor, Louisiana

FINANCIAL REPORT

SEPTEMBER 30, 2017

Roslyn J. Johnson, LLC
Certified Public Accountant

WEESE PROVIDERS CORPORATION
Batchelor, Louisiana

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WEESE PROVIDERS, CORPORATION
Batchelor, Louisiana

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Independent Auditor's Report

To the Board of Directors
Weese Providers Corporation
Batchelor, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of **Weese Providers Corporation (the Organization)** (a nonprofit organization), which comprise the statement of financial position as of September 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted by the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Weese Providers Corporation** as of September 30, 2017, and the changes in its net assets and its cash flows for the year ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the other required schedules on page 22 through 25 as required by the Louisiana Department of Education, and the schedule of Compensation, Benefits, and Other Payments to the Executive Director as required by LRS 24:513 on page 26, are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly, in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with Governmental Auditing Standards, I have also issued my report dated March 14, 2018, on my consideration of **the Organization'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 my testing of internal controls 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 **the Organization's** internal control over financial reporting and compliance.

Roslyn J. Johnson, LLC

Roslyn J. Johnson, LLC
Baton Rouge, Louisiana
March 14, 2018

WEESE PROVIDERS, INC.

**Statement of Financial Position
September 30, 2017**

ASSETS

Current Assets

Cash - restricted (note 2)	\$ 18,477.07
Cash - unrestricted (note 2)	275.16
Total Cash	<u>18,752.23</u>
Reimbursements receivable (note 3)	<u>206,821.14</u>
Total Current Assets	<u><u>\$ 225,573.37</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 3,409.87
Accrued salaries and wages	8,797.61
Payroll taxes payable	4,062.06
Due to providers (note 6)	<u>172,018.14</u>
Total Current Liabilities	<u>188,287.68</u>

Net Assets

Unrestricted	275.16
Temporarily restricted	<u>37,010.53</u>
Total Net Assets	<u>37,285.69</u>
Total Liabilities and Net Assets	<u><u>\$ 225,573.37</u></u>

The accompanying notes are an integral part of this statement.

WEESE PROVIDERS, INC.

Statement of Activities

For the Year Ended September 30, 2017

Support and Revenues

Federal Financial Assistance through the
Louisiana Department of Education:

Administrative reimbursement	\$ 190,283.00
Program reimbursement	931,041.07
Inspection fees	<u>6,780.00</u>

Total support and revenues 1,128,104.07

Expenses

Program Services:

Meals served - Providers 931,041.07

Supporting Services:

Management and general 183,781.55

Total expenses 1,114,822.62

Change in Net Assets 13,281.45

Net Assets - Beginning of Year 24,004.24

Net Assets - End of Year \$ 37,285.69

The accompanying notes are an integral part of this statement.

WEESE PROVIDERS, INC.

**Statement of Functional Expenses
For the Year Ended September 30, 2017**

	Program Service Expenses	Supporting Service Expenses	Total
EXPENSES			
Personal services		\$ 141,735.23	\$ 141,735.23
Travel		13,648.10	13,648.10
Copier maintenance		2,118.76	2,118.76
Supplies		5,939.00	5,939.00
Telephone		3,882.71	3,882.71
Computer service		1,781.91	1,781.91
Accounting costs		3,000.00	3,000.00
Auditing costs		4,000.00	4,000.00
Provider training		500.00	500.00
Micellaneous		450.84	450.84
Fire inspections		6,725.00	6,725.00
Provider payments	931,041.07	-	931,041.07
Total expenses	<u>\$ 931,041.07</u>	<u>\$ 183,781.55</u>	<u>\$ 1,114,822.62</u>

The accompanying notes are an integral part of this statement.

WEESE PROVIDERS, INC.

Statement of Cash Flows

For the Year Ended September 30, 2017

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 13,281.45
Adjustments to reconcile change in net assets to cash provided by operating activities:	
(Increase) Decrease in Current Assets	
Accounts receivable	(133,532.77)
Increase (Decrease) in Current Liabilities	
Accounts payable	566.94
Accrued salaries and wages	457.16
Payroll taxes payable	492.86
Due to providers	112,585.77
Net cash provided (used) by operating activities	<u>(6,148.59)</u>
Net increase in cash	(6,148.59)
CASH AT BEGINNING OF YEAR	<u>24,900.82</u>
CASH AT END OF YEAR	<u><u>\$ 18,752.23</u></u>

The accompanying notes are an integral part of this statement

Weese Providers Corporation

Notes to the Financial Statements
For the Year Ended September 30, 2017

Note 1 – Summary of Significant Accounting Policies

A. Organization

Weese Providers Corporation, is a nonprofit organization operating under the provisions of the Louisiana Non-Profit Corporation Law, Louisiana Revised Statute 12:201-12:269 (1950 as amended) and chartered by the Secretary of State. It was organized exclusively for educational and/or charitable purposes, including but not limited to the administration of the Child Care Food Program, Section 17 of the National School Lunch Act. Under the provisions of this program, individuals who care for a small number of children in their homes are reimbursed for the cost of meals served to the children. **Weese Providers Corporation** through its personnel monitors the composition of the meals to assure nutritional values, make routine inspections of the homes to assure safety of the children who stay there, and act as intermediary between the state and federal agencies that administer funds and the providers who care for the children.

B. Bases of Accounting and Financial Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

The Organization follows the guidance established by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as set forth in the FASB ASC 958, *Not-for Profit Entities*. Net assets, revenues, expenses, gain and losses are classified based on the existence or absence of contributor imposed restrictions. Accordingly, the net assets of the organization are classified to present the following classes: (a) unrestricted net assets, (b) temporarily restricted net assets, and (c) permanently restricted net assets.

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations

Temporarily Restricted Net Assets – Net assets that are subject to donor-imposed stipulations that may or will not be met either by actions of the corporation and/or the passage of time.

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that the organization maintains them permanently. Generally, the donors of these assets permit the organization to use all or part of the income earned on related investments for general or specific purposes. There were no permanently restricted net assets.

C. Unrestricted and Restricted Support and Revenues

The Organization also follows the guidance of the Financial Accounting Standards Board whereby contributions received are considered available for unrestricted use unless the donor specifies a restriction. Amounts received that are restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

D. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results may differ from those estimates.

E. Reimbursements Receivable

Management deems all accounts receivable collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when the determination is made.

F. Equipment and Furniture

The Organization's equipment and furniture is expensed when purchased. No depreciation is calculated.

G. Fund Accounting

To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with the nature and purposes of such funds. Separate accounts are maintained for each fund. Accordingly, all financial transactions have been reported by fund group.

H. Income Taxes

Weese Providers Corporation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and comparable Louisiana law. Accordingly, no provision for income taxes has been made in these financial statements.

I. Statement of Cash Flows

The **Organization** is required to present a statement of cash flows. For purposes of the Statement of Cash Flows, the **Organization** considers all highly liquid debt investments purchased with a maturity of three months or less to be cash equivalents.

Note 2 - Cash

At September 30, 2017, the **Organization** has cash (book balance) totaling \$18,752.23, which is in a noninterest-bearing demand account. The deposits are stated at cost, which approximate market and are fully secured by federal deposit insurance.

Note 3 – Reimbursements Receivables

Reimbursements receivable represent reimbursements due from the Louisiana Department of Education for meals served during the month of September 2017.

Provider Reimbursement Receivable	\$172,018.14
Administrative Reimbursement Receivable	<u>34,803.00</u>
Total Reimbursements Receivable	<u>\$206,821.14</u>

Note 4 – Concentration of Revenues

The **Organization** receives a large amount of its revenues from one major source, the Louisiana Department of Education. Revenue is based on the number of meals served by providers to children at the approved meal rates. Meal rates are determined on July 1 of each year by the Louisiana Department of Education. Meals served and approved meal rates are reported in the *Schedule of Meals Served and Program Reimbursements*. The revenue from this source represents 99.9% of the organizations total revenues during the year ended September 30, 2017.

Note 5 – Office Space

The **Organization's** office space is located at 8253 Louisiana Highway 418, Batchelor, Louisiana is donated by the Executive Director. The **Organization** is not required to pay a lease on the property and has elected not to record the benefit of the contribution.

Note 6 – Due to Providers

Due to providers represents amounts owed to providers for the cost of meals served during the month of September 2017.

Note 7 – Board of Director

The management of **Weese Providers Corporation** is vested in a Board of Directors which consists of four members who serve without compensation.

Note 8– Subsequent Events

Management is required to evaluate events or transactions that may occur after the statement of financial position date for potential recognition or disclosure in the financial statements. Management performed such an evaluation through March 14, 2018, the date that the financial statements were available to issue, and noted no subsequent events or transactions that occurred after the statement of financial position date requiring recognition or disclosure.

**INDEPENDENT AUDITOR'S REPORTS
REQUIRED BY *UNIFORM GUIDANCE* AND
*GOVERNMENT AUDITING STANDARDS***

**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
Weese Providers Corporation
Batchelor, Louisiana

I 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 United States the financial statements of **Weese Providers Corporation (the Organization)** which comprise the statement of financial position as of September 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated March 14, 2018.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered **the Organization's** internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **the Organization's** internal control. Accordingly, I do not express an opinion on the effectiveness of **the Organization's** internal control.

A *deficiency in internal controls* 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 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 of those charged with governance.

My 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 my audit I did not identify any deficiencies in internal control that I 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** financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose; however, under Louisiana Revised Statute 24:513, this report is distributed by the office of the Legislative Auditor as a public document.

Roslyn J. Johnson, LLC

Roslyn J. Johnson, LLC
Baton Rouge, Louisiana
March 14, 2018

**Independent Auditor's Report on Compliance For Each Major Program And On
Internal Control Over Compliance Required by the *Uniform Guidance***

To the Board of Directors
Weese Providers Corporation
Batchelor, Louisiana

Report on Compliance for Each Major Federal Program

I have audited the compliance of **Weese Providers Corporation (the Organization)** with the types of compliance requirements described in the U. S. Office of Management and Budget OMB Compliance Supplement that could have a direct material effect on each major federal program for the year ended September 30, 2017. **The Organization's** major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for **the Organizations'** major federal program based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U. S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **the Organization's** compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of **the Organization's** compliance.

Opinion on Each Major Federal Program

In my opinion, **Weese Providers Corporation** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2017.

Report on Internal Control Over Compliance

Management of **the Organization** is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered **the Organization's** internal control over compliance with the types of compliance requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control for the purpose of expressing my opinion on compliance, and to test and report on internal control over compliance in accordance with the *Uniform Guidance*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of **the Organization's** internal control over compliance.

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

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of This Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. This information is intended for the information and use of management, the Legislative Auditor for the State of Louisiana, state and federal awarding agencies and is not intended to be and should not be used by anyone other than those specific parties. Accordingly, this report is not suitable for any other purpose; however, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Legislative Auditor as a public document.

Roslyn J. Johnson, LLC

Roslyn J. Johnson, LLC
Baton Rouge, Louisiana
March 14, 2018

WEESE PROVIDERS, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended September 30, 2017

Federal Grantor/ Pass-Through Grantor/ Program Name	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures September 30, 2017
U. S. Department of Agriculture: Pass-through program from: Louisiana Department of Education - Child and Adult Care Food Program (FDCHP)	10.558	N/A	<u>\$1,108,097.62</u>

Notes to Schedule of Expenditures of Federal Awards:

Note 1 - Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying schedule of expenditures of federal award includes the federal grant activity of Pelican Providers and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

B. Accrued Reimbursement

Federal awards are on a cost reimbursement basis.

C. Federal Indirect Cost Rate

Weese Providers did not elect to use the 10% de minimis federal indirect cost rate for the year ended September 30, 2017.

D. Surecipients

Weese Providers did not provide federal funds to any subrecipients during the year ended September 30, 2017.

The accompanying notes are an integral part of this schedule

WEESE PROVIDERS, INC.
Schedule of Findings and Questioned Costs
Year Ended September 30, 2017

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statement Audit

		Unmodified		
Type of auditor's report issued:				
Material weakness (es) identified?	_____ Yes	_____ X	_____ No	
Significant deficiency identified that are not considered to be material weaknesses?	_____ Yes	_____ X	_____ No	
Noncompliance material to financial statements noted?	_____ Yes	_____ X	_____ No	

Audit of Federal Awards

Internal control over major programs:

Material weakness(es) identified?	_____ Yes	_____ X	_____ No	
Significant deficiency identified that are not considered to be material weaknesses?	_____ Yes	_____ X	_____ No	

Type of auditor's report issued on compliance for major programs:

		Unmodified		
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	_____ Yes	_____ X	_____ No	

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
10.558	Child and Adult Care Food Program (FDCHP)

The threshold for distinguishing types A & B programs was program expenditures exceeding \$750,000

Auditee qualified as a low-risk auditee?	_____ X	_____ Yes	_____ No	
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WEESE PROVIDERS, INC.
Schedule of Findings and Questioned Costs
Year Ended September 30, 2017

SECTION II - FINDINGS - FINANCIAL STATEMENT AUDIT

No findings or questioned costs for the year ended September 30, 2017.

SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL

No findings or questioned costs for the year ended September 30, 2017.

SECTION IV - MANAGEMENT LETTER

Not applicable

WEESE PROVIDERS, INC.
Schedule of Prior Year Findings and Questioned Costs
Year Ended September 30, 2017

No findings or questioned costs for the year ended September 30, 2016.

SUPPLEMENTARY INFORMATION SCHEDULES

Schedule 1

WEESE PROVIDERS, INC.

Schedule of Claims

Year Ended September 30, 2017

REIMBURSEMENTS ALLOWABLE

Administrative	\$ 190,283.00
Program	<u>931,041.07</u>
	<u><u>\$1,121,324.07</u></u>

REIMBURSEMENTS CLAIMED AND RECEIVED

Administrative	\$ 190,283.00
Program	<u>931,041.07</u>
Total	<u><u>\$1,121,324.07</u></u>

OVER (UNDER) CLAIM

Administrative	NONE
Program	<u>NONE</u>

TOTAL OVER (UNDER) CLAIMED

NONE

Schedule 2

**FAMILY DAY CARE HOME PROGRAM
ADMINISTERED BY
WEESE PROVIDERS, INC.**

**Schedule of Administrative Reimbursement Allowable
Year Ended September 30, 2017**

A. Actual administrative expenses	<u>\$ 177,056.55</u>
B. Administrative reimbursement (Home x Rates)	<u><u>\$ 190,283.00</u></u>
C. Approved administrative budget (including 2015 carryover)	<u><u>\$ 202,392.00</u></u>
E. Administrative reimbursement allowed	\$ 190,283.00
F. Administrative reimbursement received	<u><u>\$ 190,283.00</u></u>

WEESE PROVIDERS, INC.

**Schedule of Monetary Claims and Questioned Costs
Year Ended September 30, 2017**

ADMINISTRATIVE REIMBURSEMENT

Administrative overclaim

NONE

PROGRAM REIMBURSEMENT

Meal counts and attendance

NONE

Total Overclaim

NONE

Schedule 4

WEESE PROVIDERS, INC.

Schedule of Meals Served and
Program Reimbursement
Year Ended September 30, 2017

OCTOBER 1, 2016 TO JUNE 30, 2017	BREAKFAST	LUNCH	SUPPLEMENT	SUPPER	TOTAL
Number of meals claimed	24,782	71,909	136,484	140,922	374,097
Less: Meals refunded by sponsor	0	0	0	0	0
Net meals allowed	24,782	71,909	136,484	140,922	374,097
Reimbursement rate	1.3100	2.4600	0.7300	2.4600	
Reimbursement based on rate	\$ 32,464.42	\$ 176,896.14	\$ 99,633.32	\$ 346,668.12	\$ 655,662.00
JULY 1, 2017 TO SEPTEMBER 30, 2017	BREAKFAST	LUNCH	SUPPLEMENT	SUPPER	TOTAL
Number of meals claimed	7,585	36,371	54,752	55,285	153,993
Less: Meals refunded by sponsor	0	0	0	0	0
Net meals allowed	7,585	36,371	54,752	55,285	153,993
Reimbursement rate	1.3100	2.4600	0.7300	2.4600	
Reimbursement based on rate	\$ 9,936.35	\$ 89,472.66	\$ 39,968.96	\$ 136,001.10	\$ 275,379.07
TOTAL MEALS CLAIMED	32,367	108,280	191,236	196,207	528,090
TOTAL NET MEALS ALLOWED	32,367	108,280	191,236	196,207	528,090
PROGRAM REIMBURSEMENT CLAIMED	\$ 42,400.77	\$ 266,368.80	\$ 139,602.28	\$ 482,669.22	\$ 931,041.07
PROGRAM REIMBURSEMENT ALLOWED	\$ 42,400.77	\$ 266,368.80	\$ 139,602.28	\$ 482,669.22	\$ 931,041.07
MEALS OVERCLAIMED AND REFUNDED TO LDOE					<u>NONE</u>

WEESE PROVIDERS, INC.

Schedule of Compensation, Benefits, and Other Payments
to Executive Director
For The Year Ended September 30, 2017

MS. THI JUAN WELLS, EXECUTIVE DIRECTOR

PURPOSE	AMOUNT
Salary	\$ 48,754.41
Benefits-insurance	3,022.77
Benefits - retirement	706.93
Travel	<u>7,684.48</u>
TOTAL	<u><u>\$ 60,168.59</u></u>

STATE REPORTING SECTION

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors
Weese Providers Corporation
Batchelor, Louisiana

I have performed the procedures enumerated below, which were agreed to by the Board of Directors of **Weese Providers, Inc. (the Organization)**, and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period October 1, 2016 through September 30, 2017. The **Weese Providers Corporation's** management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

I obtained from management the written policies and procedures utilized in its operations and verified whether these policies and procedures addressed each of the following financial/business functions; budgeting, purchasing, disbursements, receipts, payroll/personnel, contracting, credit cards, and travel and expense reimbursements.

Budgeting – The organization's major function is the sponsoring of a Family Day Care Home Food Program (FDCHP) with funds received from the Louisiana Department of Education (LDOE). Budgets are requested, approved, monitored, and amended through LDOE. The organization operates this Program in accordance with the Application/Agreement with the State. Any changes or amendments are approved by LDOE.

Purchasing – Written policies and procedures do not address adding vendors and there is no vendor list maintained. Vendors are mainly limited to those provided in the Application/Agreement with the State. Purchase orders and requisitions are not used. Material purchases by **the Organization** are established by contract with the vendor.

Disbursements – Written policies and procedures include the processing, reviewing and approving of disbursements.

Receipts – There are no written procedures for receiving, recording, and preparing deposits. The majority of receipts, 99% percent, are received electronically from LDOE and the recording of these transactions is performed by and outside accountant.

Payroll/Personnel – No written policies and procedures for reviewing and approving leave taken. Overtime is not allowed by the Application/Agreement with the State.

Contracting – There are no written policies and procedures on type of services requiring written contracts, standard terms and conditions, legal reviews, approval process, and monitoring process.

Credit Cards – There are no formal policies and procedures addressing credit cards.

Travel and expense reimbursements – Written policies and procedures are available to address allowable expenses, dollar threshold, documentation requirements and required approvers.

Ethics – Not applicable

Debt Service Not applicable

Management's Response:

The Organization will revise its policies and procedures to address all operations to include the review and approval of leave taken, credit card usage and contracting with outside vendors.

Board

I obtained from management the minutes of the Board of Directors for the period ended September 30, 2017 and verified board meetings had been held quarterly in accordance with its bylaws and frequency required by LDOE.

Monthly budget-to-actual comparisons not required and there was no deficit spending reported.

I reviewed the Board of Directors monthly minutes for the period ended September 30, 2017 and verified that non-budgetary financial information was included for at least one meeting.

Comment: No exceptions were noted.

Bank Reconciliations

I obtained from management a complete listing of its bank accounts and management's representation that the list was complete. Verified bank reconciliations had been prepared for each account, and there were no reconciling items outstanding for more than six months.

I examined bank reconciliations and determined there was no evidence that the bank reconciliations had been reviewed by a member of management or Board member with no involvement in the transactions associate with the bank account.

Management's Response: Management will revise bank reconciliation procedures and policies to require preparation by the outside accountant with review by management evidenced by the signing and dating of the bank reconciliation.

Collections

All collections are deposited electronically to **the Organization** from LDOE. Collections of receipts are confirmed yearly in writing by the LDOE. The Organization maintains a general ledger of receipts which is reconciled to the bank on a monthly basis.

Comment: No exceptions were noted.

Disbursements – General

I obtained from management **the Organization's** general ledger for the period ended September 30, 2017, and management's written representation that the general ledger population was complete.

I selected a sample constituting one third of **the Organization's** disbursements and examined the supporting documentation. Disbursements were supported by an original invoice or contract and dual signatures are required on all checks issued. Material disbursements are supported by contracts approved during the Application/Agreement with LDOE.

I determined through inquiries/observations that **the Organization's** check stock is maintained in a restricted location in the custody of the Asst. Executive Director. Transactions are recorded monthly by and outside accountant who is independent of initiating, processing, approval and check signing processes.

Comment: No exceptions were noted

Credit Cards

Obtained from management a list of credit cards, users and written representation that the list is complete.

The Organization has one credit card with the authorized users, Executive Director and Asst. Executive Director. Selected monthly statement with largest transaction and verified documentation included an original receipt identifying what was purchased and that the purchase was for a business purpose. Examined all monthly statements and determined there was no finance charges or penalties paid.

Management's Response: Management will change procedure to have a member of Board of Director review and approve monthly credit card statements evidenced by signing and dating the statement.

Travel and Expense Reimbursement

I obtained from management a complete list of all of its travel expenses occurring during the period ended September 30, 2017, and management's representation that the general ledger was complete with all travel and expense reimbursements.

The Organization's written policies and procedures regarding per diem and mileage rates are established by their Agreement with LDOE. I examined largest travel reimbursement for each employee during audit period. Verified travel expenses were reimburse in accordance with written policies and procedures and supported by required documentation. Travel approval was by employee not receiving travel reimbursement.

Comment: No exceptions were noted.

Contracts

I obtained from management a listing of all contracts for the period ended September 30, 2017 and management's representation that the listing was complete. I examined contracts and paid invoices. Contract payments were not subject to the Public Bid Law. **The Organization** did not maintain documentation of solicited quotes.

Management's Response: To evidence sound business practices in the contracting process with outside vendors **the Organization** will in future maintain all solicited quotes.

Payroll and Personnel

I obtained from management a complete list of its employees and their related salaries along with management written representation that the listing is complete.

I determined by examination of **the Organization's** Application/Agreement with LDOE that employees were paid in accordance with pay rates approved.

I determined by review of the budget amendment that pay rates/salaries changes had been approved by LDOE in budget amendment.

I randomly selected the pay period ended June 15, 2017. I determined through examination of employee's time and attendance records that attendance and leave were documented and written leave balances are maintained.

I verified by review of the time and attendance documents for the pay period ended June 15, 2017, that the employee's time and attendance records had been approved by the employee's supervisor.

I found during my examination of payroll registers there were no employees paid termination pay during the period ended September 30, 2017. Employee and employer payroll taxes, as well as the required reporting forms were submitted timely to the applicable agencies.

Comment: No exceptions were noted

Ethics

Not Applicable

Debt Service:

Not Applicable

Other

I observed that the notice, *Fight Fraud and Abuse* had been posted by **the Organization** in compliance with R. S. 24:523.

Comments: No exceptions were noted

I was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

The purpose of this report is 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.

Roslyn J. Johnson, LLC

Roslyn J. Johnson, LLC
Baton Rouge, Louisiana
March 14, 2018