

**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, 2017 AND 2016**

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

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**JUNE 30, 2017 AND 2016**

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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, 2017 and 2016, 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**

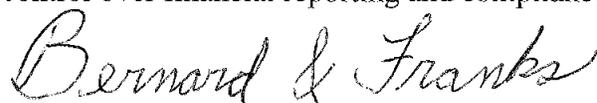
In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate as of June 30, 2017 and 2016, and the changes in its net assets and 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 November 30, 2017, 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.



November 30, 2017

**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, 2017 AND 2016**

ASSETS	2017	2016
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 546,348	\$ 1,874,483
Cash restricted for compliance requirements	350,000	-
Investment securities	1,141,073	418,360
Program receivables (less allowance for doubtful accounts \$50,000 and \$50,000)	1,164,389	1,444,019
Prepaid expenses	123,877	118,465
Total current assets	\$ 3,325,687	\$ 3,855,327
<b>PROPERTY AND EQUIPMENT - AT COST</b>		
Land	\$ 527,282	\$ 527,282
Building and improvements	2,897,578	2,897,578
Software	247,791	220,305
Leasehold improvements	82,093	82,093
Furniture and equipment	919,384	916,920
Transportation equipment	125,472	125,471
	\$ 4,799,600	\$ 4,769,649
Less accumulated depreciation and amortization	(2,463,515)	(2,267,916)
	\$ 2,336,085	\$ 2,501,733
<b>OTHER ASSETS</b>		
Deposits	\$ 10,989	\$ 10,822
Investments restricted for unemployment reserve	143,877	143,877
Investments-certificate of deposit	-	100,000
Total other assets	\$ 154,866	\$ 254,699
Total assets	\$ 5,816,638	\$ 6,611,759

See Notes to Financial Statements.

LIABILITIES AND NET ASSETS

	<u>2017</u>	<u>2016</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 122,418	\$ 190,414
Accrued liabilities	<u>733,167</u>	<u>772,396</u>
Total current liabilities	<u>\$ 855,585</u>	<u>\$ 962,810</u>
UNRESTRICTED NET ASSETS	<u>\$ 4,961,053</u>	<u>\$ 5,648,949</u>
Total liabilities and net assets	<u>\$ 5,816,638</u>	<u>\$ 6,611,759</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, 2017 AND 2016**

UNRESTRICTED NET ASSETS

	2017	2016
REVENUE, GAINS, AND SUPPORT:		
Grants and fees for services	\$ 13,779,983	\$ 14,985,457
Contributions	1,100	10,799
Investment income	7,477	(71,929)
Other income	8,867	64,161
<b>TOTAL UNRESTRICTED REVENUES, GAINS AND SUPPORT</b>	<b>\$ 13,797,427</b>	<b>\$ 14,988,488</b>
 EXPENSES:		
Program Services		
Foster Care/Professional Care	\$ 404,254	\$ 414,776
Personal care attendants	5,041,422	5,405,257
Supervised independent living	4,809,079	5,021,961
Respite services	96,177	130,875
Homeless/Housing	90,060	226,494
Elderly Services	96,969	242,650
Others, in total	1,269,995	1,376,469
Total program expenses	<b>\$ 11,807,956</b>	<b>\$ 12,818,482</b>
Support Services		
Administrative and general	\$ 2,677,367	\$ 2,784,709
Total support services	<b>\$ 2,677,367</b>	<b>\$ 2,784,709</b>
<b>TOTAL EXPENSES</b>	<b>\$ 14,485,323</b>	<b>\$ 15,603,191</b>
 INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	 <b>\$ (687,896)</b>	 <b>\$ (614,703)</b>
 NET ASSETS, BEGINNING OF YEAR	 5,648,949	 6,263,652
 NET ASSETS, END OF YEAR	 <b>\$ 4,961,053</b>	 <b>\$ 5,648,949</b>

See Notes to Financial Statements.

**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 STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2016**

	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	\$ 106,021	\$ 4,530,853	\$ 4,192,365	\$ 95,535	\$ 88,862
Employee benefits	2,018	32,855	30,187	193	199
Payroll taxes	7,877	341,676	315,727	7,279	6,538
Workmen's compensation	3,077	149,502	134,354	2,881	1,350
Total payroll cost	<u>\$ 118,993</u>	<u>\$ 5,054,886</u>	<u>\$ 4,672,633</u>	<u>\$ 105,888</u>	<u>\$ 96,949</u>
Office supplies	\$ 715	\$ 9,681	\$ 10,290	\$ 126	\$ 174
Advertising	731	4,802	3,739	-	-
Bad debts	13,649	4,445	13,696	3,767	-
Telephone	3,518	21,844	18,129	934	850
Training	263	4,965	3,607	195	154
Travel	3,507	74,405	73,692	9,103	1,267
HUD supporting services	-	-	-	-	13,014
Professional services	398	8,523	9,392	-	19,900
Insurance	6,567	39,801	29,948	1,970	1,995
Repairs and maintenance	673	4,292	3,250	18	-
Depreciation	-	-	-	-	-
Lease expense	2,900	95,827	61,666	830	5,627
HUD rental assistance	-	-	-	-	67,283
Client needs	5,701	1,483	5,765	-	17,199
Room and board	99,918	-	-	-	-
Contractual services	140,138	-	-	-	-
Utilities	215	8,221	5,750	167	-
Consultants	-	14,300	16,929	-	-
Computer expense	-	17	104	-	-
Recognition expense	919	9,371	6,914	46	103
Food	-	-	-	-	24
Life skills training	-	-	-	-	-
Medical supplies	-	5,228	5,033	-	-
Others, in total	15,971	43,166	81,424	7,831	1,955
Total direct expenses	<u>\$ 414,776</u>	<u>\$ 5,405,257</u>	<u>\$ 5,021,961</u>	<u>\$ 130,875</u>	<u>\$ 226,494</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
\$ 193,969	\$ 935,562	\$ 10,143,167	\$ 1,646,698	\$ 1,646,698	\$ 11,789,865
590	10,099	76,141	30,777	30,777	106,918
14,819	69,381	763,297	155,320	155,320	918,617
6,693	26,074	323,931	48,787	48,787	372,718
<u>\$ 216,071</u>	<u>\$ 1,041,116</u>	<u>\$ 11,306,536</u>	<u>\$ 1,881,582</u>	<u>\$ 1,881,582</u>	<u>\$ 13,188,118</u>
\$ 310	\$ 5,155	\$ 26,451	\$ 32,439	\$ 32,439	\$ 58,890
2,787	98	12,157	29,089	29,089	41,246
6	19,515	55,078	-	-	55,078
1,773	13,561	60,609	61,428	61,428	122,037
239	1,055	10,478	7,158	7,158	17,636
4,432	79,844	246,250	26,068	26,068	272,318
-	-	13,014	-	-	13,014
163	63,872	102,248	200,870	200,870	303,118
4,141	43,341	127,763	64,688	64,688	192,451
656	18,148	27,037	75,923	75,923	102,960
-	913	913	213,584	213,584	214,497
6,517	34,915	208,282	28,400	28,400	236,682
-	-	67,283	-	-	67,283
9	8,751	38,908	28	28	38,936
-	-	99,918	-	-	99,918
-	-	140,138	-	-	140,138
569	3,746	18,668	35,550	35,550	54,218
-	-	31,229	-	-	31,229
635	2,332	3,088	34,755	34,755	37,843
346	305	18,004	27,249	27,249	45,253
-	-	24	-	-	24
-	3,630	3,630	-	-	3,630
282	496	11,039	-	-	11,039
3,714	35,676	189,737	65,898	65,898	255,635
<u>\$ 242,650</u>	<u>\$ 1,376,469</u>	<u>\$ 12,818,482</u>	<u>\$ 2,784,709</u>	<u>\$ 2,784,709</u>	<u>\$ 15,603,191</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, 2017 AND 2016**

	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease ) in unrestricted net assets	\$ (687,896)	\$ (614,703)
Adjustments to reconcile increase in unrestricted net assets to net cash provided by operating activities:		
Depreciation	210,319	214,497
Unrealized (gain) loss on investments	2,842	(22,186)
(Gain) loss on sale of property	3,165	147,056
Loss on sale of investments	22,286	-
Changes in assets and liabilities:		
(Increase) decrease in program receivables	279,630	476,942
(Increase) decrease in prepaid expenses	(5,412)	10,412
Increase (decrease) in accounts payable and accrued liabilities	(107,225)	(471,618)
Net cash provided by (used in) operating activities	\$ (282,291)	\$ (259,600)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	\$ 1,961,483	\$ 1,005,828
Purchase of investments	(2,609,324)	(45,000)
Restriction of cash for compliance requirement	(350,000)	
Purchases of property and equipment	(47,836)	(101,301)
Deposits (made) returned	(167)	3,390
Net cash used in investing activities	\$ (1,045,844)	\$ 862,917
Net increase (decrease) in cash and cash equivalents	\$ (1,328,135)	\$ 603,317
Cash and cash equivalents, beginning of year	1,874,483	1,271,166
Cash and cash equivalents, end of year	\$ 546,348	\$ 1,874,483

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, 2017 AND 2016**

**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, 2017 AND 2016**

**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, 2017 and 2016, 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, 2017 AND 2016**

**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 2015, 2016 and 2017 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, 2017 and 2016 \$291,886 and \$759,709, 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, 2017 and 2016.

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, 2017 and 2016 was \$104,250 and \$55,078, 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.

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**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 \$206,278 and \$214,497 for the years ended June 30, 2017 and 2016, 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, 2017 and 2016 totaled \$354,822 and \$339,187, 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 \$2,677,367 and \$2,784,709 to the various programs it administered during the years ended June 30, 2017 and 2016, 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. 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.

**13. 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:

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

**13. Fair Value Measurement Standard (Continued)**

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).

**14. 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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**NOTE 3 – INVESTMENT SECURITIES**

Investment securities at June 30, 2017 and 2016 consist of the following:

As of June 30, 2017:

Recurring fair value instruments:		Quoted Prices Active Markets	Realized	Unrealized
Description	Cost	(Level 1)	Loss	(Gain) Loss
Fidelity GNMA Fund	\$ 352,560	\$ 344,535	\$ (4,043)	\$ (8,026)
T Rowe Price-Floating Rate	429,328	428,914	-	(413)
Putnam Absolute Return 100-A	-	-	(18,242)	20,357
Vanguard-GNMA-Admiral Cl	526,262	511,501	-	(14,761)
	<u>\$ 1,308,150</u>	<u>\$ 1,284,950</u>	<u>\$ (22,285)</u>	<u>\$ (2,843)</u>

As of June 30, 2016:

Recurring fair value instruments:		Quoted Prices Active Markets	Realized	Unrealized
Description	Cost	(Level 1)	Loss	(Gain) Loss
Putnam Diversified Income-A	\$ -	\$ -	\$ 33,811	\$ (10,311)
Putman Floating Rate Income-A	-	-	29,557	(6,797)
Putnam Absolute Return 100-A	438,718	418,360	540	9,611
Putnam Absolute Return 300-A	-	-	54,571	(12,963)
Putnam Absolute Return 700-A	-	-	28,577	(1,726)
	<u>\$ 438,718</u>	<u>\$ 418,360</u>	<u>\$ 147,056</u>	<u>\$ (22,186)</u>

Interest income for the years ended June 30, 2017 and 2016 was \$31,690 and \$52,877, respectively.

At June 30, 2017, investments totaling \$143,877 were designated as restricted investments to satisfy the reserve requirements for the Gulf Coast self-insured unemployment compensation plan. Gulf Coast reserves cash or investments of seven tenths of one percent up to \$150,000 of the first \$7,000 of wages paid in a reserve for unemployment claims.

Investments are classified on the Statement of Financial Condition consist of the following at June 30, 2017 and 2016:

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**NOTE 3 – INVESTMENT SECURITIES (continued)**

	<u>2017</u>	<u>2016</u>
Investments, current	\$ 1,141,073	\$ 418,360
Investments restricted for unemployment reserve	<u>143,877</u>	<u>-</u>
Total	<u>\$ 1,284,950</u>	<u>\$ 418,360</u>

The certificate of deposit held for investment, which is not a debt security is included in “investments-certificate of deposit”. The certificate of deposit has a remaining maturity greater than one year and is classified as long-term investments-certificate of deposit. The certificate of deposit at June 30, 2016 is restricted for use in the Organization’s self-insured unemployment fund.

**NOTE 4 – 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, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Department of Health and Human Services	\$ 18,332	\$ 44,071
Medicaid	896,804	1,093,346
U.S. Department of Housing and Urban Development	12,218	32,625
U.S. Department of Juvenile Justice and Delinquency Prevention	28,812	15,020
State of Louisiana:		
Department of Public Safety and Corrections	-	-
Office of Mental Health	30,117	13,224
Office of Community Services	59,430	75,423
Office of Citizens with Developmental Disabilities	550	350
Other:		
Capital Area Agency on Aging	7,053	12,969
Terrebonne Parish Consolidated Government	55,374	62,618
South Central LA Human Services	78,938	115,232
Private	15,488	14,159
JPHSA	-	653
LRS – LA	-	1,086
Veterans Affairs	9,200	9,338
Other	<u>1,977</u>	<u>3,905</u>
Subtotal	<u>\$ 1,214,389</u>	<u>\$ 1,494,019</u>
Less: Allowance for Doubtful Accounts	<u>(50,000)</u>	<u>(50,000)</u>
Total, net	<u>\$ 1,164,389</u>	<u>\$ 1,444,019</u>

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2017 AND 2016**

**NOTE 5 – SUBSEQUENT EVENTS**

Management of the Organization has evaluated subsequent events affecting the Organization through the date the financials statements were issued which was November 30, 2017. All disclosures considered necessary are made in these financial statements. Three significant events have taken place in that period.

**NOTE 6 – ACCRUED LIABILITIES**

Accrued liabilities consist of the following at June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Accrued salaries and payroll taxes	\$ 402,303	\$ 410,549
Compensated absences	310,234	339,187
Other	<u>20,630</u>	<u>22,660</u>
Total	<u>\$ 733,167</u>	<u>\$ 772,396</u>

**NOTE 7 – LEASES**

The Organization leases facilities and equipment under operating leases expiring through the year 2021. Rental expense related to these leases was \$208,960 and \$236,682 for the years ended June 30, 2017 and 2016, respectively. Minimum future rental payments due under these leases as of June 30, 2017 are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Minimum</u> <u>rental payments</u>
2018	\$ 67,819
2019	55,899
2020	37,214
2021	12,098
Thereafter	<u>4,489</u>
Total	<u>\$ 177,519</u>

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

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**JUNE 30, 2017 AND 2016**

**NOTE 8 – 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 \$46,066 in 2017 and \$37,127 in 2016.

All known claims as of June 30, 2017 have been recorded in the financial statements.

**NOTE 9 – 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 10 – 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 11 – 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, 2017 and 2016.

**SUPPLEMENTARY INFORMATION**

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
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**SCHEDULE 1 - COMBINED STATEMENT OF REVENUES**  
**AND EXPENSES BY COST REPORT GROUPING**  
**YEARS ENDED JUNE 30, 2017 AND 2016**

	2017	2016
<b>REVENUE</b>		
Programs	\$ 13,779,983	\$ 14,985,457
Donations	1,100	10,799
Interest income	7,477	(71,929)
Other income	8,867	64,161
Total revenue	\$ 13,797,427	\$ 14,988,488
<b>EXPENSES</b>		
Administrative and general	\$ 5,801,814	\$ 6,412,692
Plant operation and maintenance	562,309	781,976
Dietary, laundry, and linen	1,507	687
Personal client needs	47,019	38,936
Therapeutic and training	8,026,579	8,301,717
Medical and nursing	13,048	11,039
Recreational	12,260	24,915
Consultants	20,787	31,229
Total expenses	\$ 14,485,323	\$ 15,603,191
<b>INCREASE (DECREASE)</b>		
IN UNRESTRICTED NET ASSETS	\$ (687,896)	\$ (614,703)

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SCHEDULE 2 - COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND  
YEAR ENDED JUNE 30, 2017

	Foster Care				PCA		
	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	\$ 58,727	\$ 1,314	\$ 112,360	\$ 172,401	\$ 199,951	\$ 5,704	\$ 52,558
Plant operation and capital asset costs	1,142	440	1,675	3,257	5,999	1,077	14,210
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-
Personal client needs	-	197	5,081	5,278	214	-	-
Medical and nursing	-	298	-	298	1,539	-	741
Therapeutic and training	55,004	3,028	164,048	222,080	778,529	27,040	240,645
Recreational	-	213	727	940	71	-	-
Consultants	-	-	-	-	-	-	2,668
Subtotal programs	\$ 114,873	\$ 5,490	\$ 283,891	\$ 404,254	\$ 986,303	\$ 33,821	\$ 310,822
Subtotal administrative and general							
Administrative costs - allocated	\$ 29,595	\$ 1,075	\$ 68,811	\$ 99,481	\$ 240,122	\$ 9,876	\$ 99,195
Totals	\$ 144,468	\$ 6,565	\$ 352,702	\$ 503,735	\$ 1,226,425	\$ 43,697	\$ 410,017

GULF COAST TEACHING FAMILY SERVICES, INC.  
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SCHEDULE 2 - COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND  
YEAR ENDED JUNE 30, 2017

	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	\$ 3,949	\$ 198,751	\$ 10,865	\$ 51	\$ 13,545	\$ 47,560	\$ 19,957
Plant operation and capital asset costs	2,632	24,047	925	131	374	4,065	1,631
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-
Personal client needs	-	560	-	-	-	-	-
Medical and nursing	114	850	-	-	-	-	-
Therapeutic and training	36,271	898,713	62,092	25	28,292	194,689	50,050
Recreational	-	-	-	-	-	-	-
Consultants	-	1,258	-	-	-	-	-
Subtotal programs	\$ 42,966	\$ 1,124,179	\$ 73,882	\$ 207	\$ 42,211	\$ 246,314	\$ 71,638
Subtotal administrative and general							
Administrative costs - allocated	\$ 13,712	\$ 220,074	\$ 14,463	\$ 40	\$ 8,263	\$ 48,219	\$ 14,024
Totals	\$ 56,678	\$ 1,344,253	\$ 88,345	\$ 247	\$ 50,474	\$ 294,533	\$ 85,662

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SCHEDULE 2 - COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND  
YEAR ENDED JUNE 30, 2017

	Personal Care Attendants											
	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		60-117 EPSDT New Orleans Provider # 1912913		60-119 PCS New Orleans Provider # 1173754	
Administrative and General	\$ 156,336	\$ 1,277	\$ 75,010	\$ 326	\$ 80,487	\$ 70,651	\$ 4,223	\$ 2,994				
Plant operation and capital asset costs	30,451	-	2,053	-	18,741	2,324	140	106				
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-				
Personal client needs	870	-	-	-	-	-	-	-				
Medical and nursing	2,073	-	381	-	1,155	-	-	-				
Therapeutic and training	750,922	3,991	235,427	820	339,461	255,389	30,264	35,726				
Recreational	59	-	39	-	140	-	-	-				
Consultants	-	-	2,400	-	4,843	-	-	-				
Subtotal programs	<u>\$ 940,711</u>	<u>\$ 5,268</u>	<u>\$ 315,310</u>	<u>\$ 1,146</u>	<u>\$ 444,827</u>	<u>\$ 328,364</u>	<u>\$ 34,627</u>	<u>\$ 38,826</u>				
Subtotal administrative and general												
Administrative costs - allocated	<u>\$ 177,842</u>	<u>\$ 996</u>	<u>\$ 60,713</u>	<u>\$ 886</u>	<u>\$ 108,519</u>	<u>\$ 80,163</u>	<u>\$ 8,284</u>	<u>\$ 9,201</u>				
Totals	<u>\$ 1,118,553</u>	<u>\$ 6,264</u>	<u>\$ 376,023</u>	<u>\$ 2,032</u>	<u>\$ 553,346</u>	<u>\$ 408,527</u>	<u>\$ 42,911</u>	<u>\$ 48,027</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, 2017

	PCA	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
Administrative and General	\$ 944,195	\$ 191,740	\$ 20,136	\$ 165,311	\$ 259,700	\$ 14,317	\$ 269,496	\$ 65,672
Plant operation and capital asset costs	108,906	6,656	6,533	13,575	27,683	270	6,160	8,310
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	1,644	3,074	-	41	1,183	-	-	75
Medical and nursing	6,853	2,140	322	32	1,476	-	1,160	385
Therapeutic and training	3,968,346	764,350	76,233	590,693	570,333	-	1,088,142	315,280
Recreational	309	202	-	153	-	-	155	-
Consultants	11,169	-	-	-	-	-	8,961	-
Subtotal programs	\$ 5,041,422	\$ 968,162	\$ 103,224	\$ 769,805	\$ 860,375	\$ 14,587	\$ 1,374,074	\$ 389,722
Subtotal administrative and general								
Administrative costs - allocated	\$ 1,114,592	\$ 234,852	\$ 32,942	\$ 150,700	\$ 162,655	\$ 2,758	\$ 260,227	\$ 95,077
Totals	\$ 6,156,014	\$ 1,203,014	\$ 136,166	\$ 920,505	\$ 1,023,030	\$ 17,345	\$ 1,634,301	\$ 484,799

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SCHEDULE 2 - COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND  
YEAR ENDED JUNE 30, 2017

	Supervised Independent Living			Respite				
	60-103 SIL- Title XIX New Orleans Provider # 1910686	60-604 Non- Medicaid SIL Vendor # 294	Subtotal Supervised Independent Living	20-426 Short Term Respite Baton Rouge	60-102 Respite New Orleans	60-426 Short Term Respite New Orleans	60-609 JPHSA Crisis Respite New Orleans	Subtotal Respite
Administrative and General	\$ 66,527	\$ 246	\$ 1,053,145	\$ 34,167	\$ 736	\$ 50,649	\$ 653	\$ 86,205
Plant operation and capital asset costs	2,219	35	71,441	129	-	-	-	129
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	-	-	4,373	-	-	-	-	-
Medical and nursing	-	-	5,515	-	-	-	-	-
Therapeutic and training	257,331	2,115	3,664,477	1,401	8,091	-	-	9,492
Recreational	-	-	510	-	-	351	-	351
Consultants	657	-	9,618	-	-	-	-	-
Subtotal programs	<u>\$ 326,734</u>	<u>\$ 2,396</u>	<u>\$ 4,809,079</u>	<u>\$ 35,697</u>	<u>\$ 8,827</u>	<u>\$ 51,000</u>	<u>\$ 653</u>	<u>\$ 96,177</u>
Subtotal administrative and general								
Administrative costs - allocated	<u>\$ 79,696</u>	<u>\$ 612</u>	<u>\$ 1,019,519</u>	<u>\$ 8,480</u>	<u>\$ 2,051</u>	<u>\$ 11,847</u>	<u>\$ 152</u>	<u>\$ 22,530</u>
Totals	<u>\$ 406,430</u>	<u>\$ 3,008</u>	<u>\$ 5,828,598</u>	<u>\$ 44,177</u>	<u>\$ 10,878</u>	<u>\$ 62,847</u>	<u>\$ 805</u>	<u>\$ 118,707</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, 2017

	<u>Homeless Housing</u>		<u>Elderly Services</u>					<u>Subtotal Elderly Services</u>
	<u>40-600 HUD The Network Houma</u>	<u>Subtotal Homeless Housing</u>	<u>30-118 EDA Elderly Services Hammond Provider # 1690082</u>	<u>30-120 Service for the Elderly Hammond</u>	<u>30-121 Elderly Services Hammond</u>	<u>40-118 EDA Waiver Houma Provider # 1935166</u>	<u>40-120 Services for the Elderly Houma</u>	
Administrative and General	\$ 63,331	\$ 63,331	\$ 10,503	\$ 9,451	\$ 1,768	\$ 368	\$ 129	\$ 22,219
Plant operation and capital asset costs	881	881	3,492	1,220	469	-	-	5,181
Dietary, laundry & linen, and housekeeping	737	737	-	-	-	-	-	-
Personal client needs	25,111	25,111	-	-	-	-	-	-
Medical and nursing	-	-	158	80	49	-	-	287
Therapeutic and training	-	-	40,757	17,837	10,073	611	4	69,282
Recreational	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-
Subtotal programs	<u>\$ 90,060</u>	<u>\$ 90,060</u>	<u>\$ 54,910</u>	<u>\$ 28,588</u>	<u>\$ 12,359</u>	<u>\$ 979</u>	<u>\$ 133</u>	<u>\$ 96,969</u>
Subtotal administrative and general								
Administrative costs - allocated	<u>\$ 17,631</u>	<u>\$ 17,631</u>	<u>\$ 17,524</u>	<u>\$ 9,126</u>	<u>\$ 3,944</u>	<u>\$ 192</u>	<u>\$ 26</u>	<u>\$ 30,812</u>
Totals	<u>\$ 107,691</u>	<u>\$ 107,691</u>	<u>\$ 72,434</u>	<u>\$ 37,714</u>	<u>\$ 16,303</u>	<u>\$ 1,171</u>	<u>\$ 159</u>	<u>\$ 127,781</u>

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

SCHEDULE 2 - COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND  
YEAR ENDED JUNE 30, 2017

	Other Programs								
	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	20-711 Adult Day Habilitation Baton Rouge	30-107 OJJ/YS Mentors Hammond	30-114 Private Pay Northshore	30-312 Dept. of Veterans Affairs Hammond
Administrative and General	\$ 3,187	\$ 53,429	\$ 4,137	\$ -	\$ 165,669	\$ 14,700	\$ 23,183	\$ 1,467	\$ 5,317
Plant operation and capital asset costs	-	621	-	-	15,638	271	1,755	-	764
Dietary, laundry & linen, and housekeeping	-	-	-	-	647	-	-	-	-
Personal client needs	-	19	-	414	-	-	-	-	-
Medical and nursing	-	-	-	-	48	-	-	-	47
Therapeutic and training	-	-	3,149	-	621	-	-	-	9,855
Recreational	-	985	-	-	582	-	269	-	-
Consultants	-	-	-	-	-	-	-	-	-
Subtotal programs	<u>\$ 3,187</u>	<u>\$ 55,054</u>	<u>\$ 7,286</u>	<u>\$ 414</u>	<u>\$ 183,205</u>	<u>\$ 14,971</u>	<u>\$ 25,207</u>	<u>\$ 1,467</u>	<u>\$ 15,983</u>
Subtotal administrative and general									
Administrative costs - allocated	<u>\$ -</u>	<u>\$ 16,590</u>	<u>\$ 1,731</u>	<u>\$ -</u>	<u>\$ 53,873</u>	<u>\$ 3,558</u>	<u>\$ 8,044</u>	<u>\$ 468</u>	<u>\$ 5,101</u>
Totals	<u>\$ 3,187</u>	<u>\$ 71,644</u>	<u>\$ 9,017</u>	<u>\$ 414</u>	<u>\$ 237,078</u>	<u>\$ 18,529</u>	<u>\$ 33,251</u>	<u>\$ 1,935</u>	<u>\$ 21,084</u>

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

SCHEDULE 2 - COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND  
YEAR ENDED JUNE 30, 2017

	Other Programs							
	40-114 Private Pay Houma	40-312 Dept. of Veterans Affairs Houma	40-400 SCLHSA Mental Health Houma	40-402 SCLHSA Clinic Staffing II Houma	40-415 Le Cirque Mentoring Houma	40-418 SCLHSA Life Skills Houma	40-422 Community Psychiatric Support Houma	40-430 Crime Victim's Assistance Houma
Administrative and General	\$ 11,365	\$ 5,132	\$ 237,661	\$ 43,117	\$ 110,786	\$ 68,469	\$ 10,713	\$ 11,897
Plant operation and capital asset costs	-	-	446	-	5,053	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	123	-	-	-
Personal client needs	-	-	-	-	-	-	-	13
Medical and nursing	-	-	-	-	-	-	-	-
Therapeutic and training	35,154	4,989	-	-	5,104	413	-	-
Recreational	-	-	-	-	8,055	-	-	-
Consultants	-	-	-	-	-	-	-	-
Subtotal programs	<u>\$ 46,519</u>	<u>\$ 10,121</u>	<u>\$ 238,107</u>	<u>\$ 43,117</u>	<u>\$ 129,121</u>	<u>\$ 68,882</u>	<u>\$ 10,713</u>	<u>\$ 11,910</u>
Subtotal administrative and general								
Administrative costs - allocated	<u>\$ 9,107</u>	<u>\$ 1,981</u>	<u>\$ 46,613</u>	<u>\$ 8,441</u>	<u>\$ 25,277</u>	<u>\$ 13,485</u>	<u>\$ 2,097</u>	<u>\$ 2,331</u>
Totals	<u><u>\$ 55,626</u></u>	<u><u>\$ 12,102</u></u>	<u><u>\$ 284,720</u></u>	<u><u>\$ 51,558</u></u>	<u><u>\$ 154,398</u></u>	<u><u>\$ 82,367</u></u>	<u><u>\$ 12,810</u></u>	<u><u>\$ 14,241</u></u>

Other Programs

	50-107 OJJ/YS Mentors Lafayette	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	52-114 Private Contracts Lake Charles	60-114 Private Pay New Orleans
Administrative and General	\$ 53,668	\$ 3,050	\$ 96,363	\$ 14,009	\$ 94,529	\$ 57,630	\$ 7,022	\$ 19,544	\$ 1,957
Plant operation and capital asset costs	1,736	-	1,052	1,700	1,738	2,444	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-	-
Personal client needs	-	-	9,976	-	-	191	-	-	-
Medical and nursing	-	-	-	-	-	-	-	-	-
Therapeutic and training	-	-	-	2	-	1,016	57	4,564	-
Recreational	-	-	-	-	-	-	14	-	-
Consultants	-	-	-	-	-	-	-	-	-
Subtotal programs	<u>\$ 55,404</u>	<u>\$ 3,050</u>	<u>\$ 107,391</u>	<u>\$ 15,711</u>	<u>\$ 96,267</u>	<u>\$ 61,281</u>	<u>\$ 7,093</u>	<u>\$ 24,108</u>	<u>\$ 1,957</u>
Subtotal administrative and general									
Administrative costs - allocated	<u>\$ 10,474</u>	<u>\$ 182</u>	<u>\$ 20,302</u>	<u>\$ 2,970</u>	<u>\$ 18,199</u>	<u>\$ 11,585</u>	<u>\$ 1,316</u>	<u>\$ 5,881</u>	<u>\$ 455</u>
Totals	<u><u>\$ 65,878</u></u>	<u><u>\$ 3,232</u></u>	<u><u>\$ 127,693</u></u>	<u><u>\$ 18,681</u></u>	<u><u>\$ 114,466</u></u>	<u><u>\$ 72,866</u></u>	<u><u>\$ 8,409</u></u>	<u><u>\$ 29,989</u></u>	<u><u>\$ 2,412</u></u>

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

SCHEDULE 2 - COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND  
YEAR ENDED JUNE 30, 2017

	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
Administrative and General	\$ 21,432	\$ -	\$ 1,139,433	\$ 3,480,929	\$ 1,416,560	\$ 240,794	\$ 103,155	\$ 155,652
Plant operation and capital asset costs	74	-	33,292	223,087	71,123	15,584	825	38,248
Dietary, laundry & linen, and housekeeping	-	-	770	1,507	-	-	-	-
Personal client needs	-	-	10,613	47,019	-	-	-	-
Medical and nursing	-	-	95	13,048	-	-	-	-
Therapeutic and training	9,691	1,157	75,772	8,009,449	2,028	3,310	635	2,562
Recreational	115	-	10,020	12,130	-	-	-	-
Consultants	-	-	-	20,787	-	-	-	-
Subtotal programs	\$ 31,312	\$ 1,157	\$ 1,269,995	\$ 11,807,956	\$ 1,489,711	\$ 259,688	\$ 104,615	\$ 196,462
Subtotal administrative and general								
Administrative costs - allocated	\$ 7,404	\$ 269	\$ 277,734	\$ 2,582,299	\$ (1,587,404)	\$ (259,561)	\$ (104,614)	\$ (196,049)
Totals	\$ 38,716	\$ 1,426	\$ 1,547,729	\$ 14,390,255	\$ (97,693)	\$ 127	\$ 1	\$ 413

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, 2017

	Administrative and General					Independent Living Properties		
	50-198 Admin. Lafayette	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
Administrative and General	\$ 121,593	\$ 96,117	\$ 80,559	\$ 106,455	\$ 2,320,885	\$ -	\$ -	\$ -
Plant operation and capital asset costs	5,455	1,928	8,528	6,014	147,705	67,438	60	89,155
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	-	-	-	-	-	-	-	-
Medical and nursing	-	-	-	-	-	-	-	-
Therapeutic and training	2,113	550	4,620	1,312	17,130	-	-	-
Recreational	-	-	130	-	130	-	-	-
Consultants	-	-	-	-	-	-	-	-
Subtotal programs	<u>\$ 129,161</u>	<u>\$ 98,595</u>	<u>\$ 93,837</u>	<u>\$ 113,781</u>	<u>\$ 2,485,850</u>	<u>\$ 67,438</u>	<u>\$ 60</u>	<u>\$ 89,155</u>
Subtotal administrative and general								
Administrative costs - allocated	<u>\$ (129,020)</u>	<u>\$ (98,569)</u>	<u>\$ (93,308)</u>	<u>\$ (113,777)</u>	<u>\$ (2,582,302)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Totals	<u>\$ 141</u>	<u>\$ 26</u>	<u>\$ 529</u>	<u>\$ 4</u>	<u>\$ (96,452)</u>	<u>\$ 67,438</u>	<u>\$ 60</u>	<u>\$ 89,155</u>

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

SCHEDULE 2 - COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND  
YEAR ENDED JUNE 30, 2017

Independent Living Properties

	<u>51-198 Jackson Street Admin. Office Alexandria</u>	<u>60-198 2400 Edenborn New Orleans</u>	<u>Total Independent Living Properties</u>	<u>Total General and Administrative</u>	<u>Totals-Program, Administrative and General Funds</u>
Administrative and General	\$ -	\$ -	\$ -	\$ 2,320,885	\$ 5,801,814
Plant operation and capital asset costs	18,852	16,012	191,517	339,222	562,309
Dietary, laundry & linen, and housekeeping	-	-	-	-	1,507
Personal client needs	-	-	-	-	47,019
Medical and nursing	-	-	-	-	13,048
Therapeutic and training	-	-	-	17,130	8,026,579
Recreational	-	-	-	130	12,260
Consultants	-	-	-	-	20,787
Subtotal programs	<u>\$ 18,852</u>	<u>\$ 16,012</u>	<u>\$ 191,517</u>	<u>\$ 2,677,367</u>	<u>\$ 14,485,323</u>
Subtotal administrative and general					
Administrative costs - allocated	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 18,852</u>	<u>\$ 16,012</u>	<u>\$ 191,517</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)**  
**SCHEDULE 3 - SCHEDULE OF COMPENSATION**  
**YEARS ENDED JUNE 30, 2017**

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

<u>Purpose:</u>	<u>Total</u>
Salary	\$ 147,637
Benefits-car allowance	13,200
Benefits-medical insurance	5,098
Benefits-dental	144
Benefits-Fxspnd	150
Benefits-403B	11,077
Cell Phone	900
Total	<u>\$ 178,206</u>

**SPECIAL REPORTS OF INDEPENDENT AUDITOR**



**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, 2017 and 2016, 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 November 30, 2017.

**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.

*Bernard & Franks*

November 30, 2017

## **REPORTS BY MANAGEMENT**

**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, 2017**

**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, 2017; 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, 2017 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, 2017.

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

This section is not applicable for the year ended June 30, 2017.

**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, 2017**

**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, 2016.

**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, 2016.

**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, 2016.

**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, 2016.

**GULF COAST TEACHING FAMILY SERVICES, INC.  
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE  
MANAGEMENT'S CORRECTIVE ACTION PLAN  
YEAR ENDED JUNE 30, 2017**

**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, 2017.

No significant deficiencies were reported during the audit of the financial statements for the year ended June 30, 2017.

**Compliance and Other Matters**

No compliance findings material to the financial statements were reported during the audit for the year ended June 30, 2017.

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

This is not applicable for the year ended June 30, 2017.

**Section III - Management Letter**

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

**STATEWIDE AGREED-UPON PROCEDURE REPORT**



**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

The Board of Directors  
Gulf Coast Teaching Family Services, Inc.  
(doing business as Gulf Coast Social Services)  
Metairie, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of Gulf Coast Teaching Family Services, Inc. (doing business as Gulf Coast Social Services), (a nonprofit organization), and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Gulf Coast Teaching Family Services, Inc. (doing business as Gulf Coast Social Services)'s compliance with certain laws, regulations and best practices during the fiscal year ended June 30, 2017. Management of Gulf Coast Teaching Family Services, Inc. (doing business as Gulf Coast Social Services) is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed 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, we 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.

***Written Policies and Procedures***

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1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:

- a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget:

Written policies and procedures were obtained from management regarding budgeting and the written policies and procedures address the preparation, adoption, monitoring and amendment of the budget.

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes:

Written policies and procedures were obtained for the purchasing process and the purchase policies do not address the initiation of purchases by use of purchase orders or requisitions. The written policies and procedures do address how vendors are added to the approved vendor list, the preparation and approval process of check requests, vendor invoices.

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

The accounting policies and procedures of Gulf Coast Teaching Family Services, Inc. for disbursements were obtained and addressed the processing, reviewing and approval of disbursements

- d) **Receipts**, including receiving, recording, and preparing deposits:

Written policies and procedures were obtained from the management of Gulf Coast for the cash receipts process and the policies and procedures do address receiving, recording and preparation of deposits.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked:

Written policies and procedures for payroll and personnel were obtained and do address payroll processing process, the review and approval of time and attendance records, including leave and overtime worked.

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

Written policies and procedures for contracting were obtained and do address the types of services requiring written contracts, standard terms and conditions, the criteria requiring legal review, contract approval process and monitoring.

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

Written policies and procedures for credit cards were obtained and do address the how credit cards are controlled, allowable business uses, documentation requirements, required approvers and monitoring card usage procedures.

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

Written policies and procedures were obtained regarding travel and expense reimbursement and the policies address allowable expenses that are reimbursable by Gulf Coast, dollar thresholds by category of expense, documentation requirement, and required approvers.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits:

Gulf Coast is a nonprofit organization; therefore, the ethics agree-upon procedures do not apply to this engagement.

- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements: The entity is a nonprofit; therefore, not applicable.

Gulf Coast is a nonprofit organization; therefore, the debt service agree-upon procedures do not apply.

***Board (or Finance Committee, if applicable)***

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2. Obtain and review the board/committee minutes for the fiscal period, and:
- a. Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document:

We obtained and reviewed minutes of the Board of Directors for the fiscal period noting that the full board met quarterly in accordance with the Gulf Coast's policy.

- b. Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis):

Minutes include monthly budget-to-actual comparisons for the net assets of the Gulf Coast (the entity is a nonprofit organization). We obtained and reviewed the quarterly minutes and determined that the minutes reporting package included a

budget-to-actual comparison for general and administrative and program departments.

- c. If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan:

Deficit spending was not noted during the fiscal period.

- d. Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.):

The minutes reference non-budgetary financial information in each quarterly meeting of the Board of Directors.

### **Bank Reconciliations**

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3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete:

We obtained a listing of client bank accounts from management of Gulf Coast. Management provided representations that the listing is complete.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared:

Bank reconciliations were prepared for all months for all bank accounts.

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and:

Evidence of management's review of the bank reconciliations for each month was noted during the execution of this procedure.

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period:

Bank reconciliations for the operating account were reviewed. Management provided documentation of its research for reconciling items that were outstanding for more than six months.

## Collections

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- 5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete:

We obtained a listing of the cash collection location for the operations of Gulf Coast. Management provided us representations that the listing is complete. Most of the cash collections are direct deposited into the cash account. Actual cash collected for the fiscal year was less than \$300. Some state agencies pay for services by check. Those checks are mailed to the main office of Gulf Coast in Metairie, Louisiana.

- 6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement. For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee:

Cash receipts are delivered to the receptionist and then entered into a cash receipts log sheet by a staff accountant. Deposits are made electronically by a general ledger accountant. Cash receipts are delivered to the accounts receivable/billing coordinator for entry into the accounting system. A separate general ledger accountant performs the bank reconciliation and reconciles the cash receipts log to the bank deposits. No bonding insurance is required for the employees involved in the cash collection process.

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected:

Written documentation was obtained regarding the cash receipts process and it was noted that the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers by a person who is not responsible for cash collections.

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- > Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location:

Collection documentation was obtained for the highest cash collection week according to the general ledger. The selected cash collections for the week were deposited within one day of collection. Deposits are completed using an electronic online system provided by the bank.

- > Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions:

Daily cash collections selected were completely supported by documentation. No numbered receipts are provided since cash collections consist of state and federal contracts.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections:

We obtain the written documentation and noted that the entity has a process specifically defined to determine completeness of all collections, including electronic transfers, for each revenue source by a person who is not responsible for collections

Disbursements – General (excluding credit card/fuel card/P-Card purchases or payments)

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete:

We obtained a listing of disbursements from the general ledger of Gulf Coast. Management provided representations that the listing was complete.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/Pcard purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system:

We examined the supporting documentation for each of the disbursements selected. The system does not provide for use of a requisition/purchase order form.

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase:

We examined supporting documentation for each of the disbursements selected and noted appropriate approval. A check request form is required for each purchase. The check request was signed by the person initiating the purchase, the program director, region director and by the Chief Execution Officer.

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice:

We examined supporting documentation for each of the disbursements selected and noted an approved vendor invoice for each purchase selected. The system does not require a purchase order or receiving report. The purchase system requires a Request for Payment Form that requires approval of the purchaser, the Program Manager, the Regional Director and the Chief Executive Officer.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system:

Written policies and procedures address the function of adding vendors to the entity's purchasing/disbursement system. The system requires a new vendor authorization form to be completed by the requestor, the requestor's supervisor, the Region Director and Accounts Payable Supervisor. The system does not prohibit the accounts payable personnel from adding vendors.

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases:

Written policies and procedures provided do address the separation of signatory authority from initiating or recording of purchase.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks:

The supply of unused checks is maintained in a locked file cabinet, with restricted access from those persons with signatory authority.

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions:

The entity does utilize a signature machine for payroll checks. The signature machine is used only with the knowledge and consent of the signer.

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

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

I obtained a listing of all active credit cards including the card number and the names of the persons who maintained possession of the cards from the management team. No bank debit cards or fuel cards are utilized by the entity.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner:

Gulf Coast has issued twelve credit cards to its management team. We selected all twelve cards for our sample (a consolidated statement is given to the Organization) for the applicable agreed upon procedures.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]:

We examined the monthly consolidated statement for the month of December 2016. The check request form evidenced approval by someone other than the authorized card holder. Consolidated credit card statement was reviewed additionally by a General Ledger Accountant who prepared account recaps and checked that each transaction was supported by original support as dictated by the policies of Gulf Coast.

- b) Report whether finance charges and/or late fees were assessed on the selected statements:

No finance charges were assessed on the selected credit card consolidated statement.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing):

- a) For each transaction, report whether the transaction is supported by:

> An original itemized receipt (i.e., identifies precisely what was purchased):

For the sample selected in accordance with procedure #14 above an original itemized receipt supported each transaction for each card on the credit card statement.

> Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating:

The Documentation of each transaction contained a Purchase Documentation Form that included a detailed description of the business purpose and listed all persons in attendance at meals or other events.

- > Other documentation that may be required by written policy (e.g., purchase order, written authorization.):

Other documentation required by the written policy was included in the supporting documents.

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions:

After examining each transaction in the sample no transaction was subject to the requirements of the Louisiana Public Bid Law. The transactions conformed to the Gulf Coast written purchasing/disbursement policies.

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (c.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception:

No transaction included in the sample violated Article 7, Section 14 of the Louisiana Constitution.

### Travel and Expense Reimbursement

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17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete:

We obtained the general ledger analysis of travel and expense reimbursements for the year ended June 30, 2017. Management provided representations that the listing was complete.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates:

Written policies and procedures were obtained and no amounts listed in the policies regarding travel and expense reimbursements exceed GSA rates.

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates:

Travel and expenses reimbursements for the individuals selected in accordance with #19 above were paid in accordance with written policies and procedures of the Gulf Coast.

- b) Report whether each expense is supported by:

>An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]:

Expenses included in the sample for categories reimbursed were in accordance with established per diem amount was properly documented and was reimbursed at the established rates.

- > Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating):

Documentation of business purpose noted for each expense reimbursement selected.

- > Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance):

In accordance with the sample selection policy noted above, travel expense documentation was examined. The documentation conformed to the written policy for each expense reimbursement selected.

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception:

No exceptions noted.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement:

Each expense reimbursement selected was reviewed and approved, in writing, by someone other than the person receiving reimbursement. The Gulf Coast system requires the approval of the Program Director and the Chief Executive Officer. The documentation is reviewed the General Ledger Accountant for compliance with the policies.

## Contracts

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- 20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete:

We obtained a listing of all contracts in effect for the year ended June 30, 2017. Management provided representations that the listing was complete. Contracts were for nursing services and for Foster Care parent payments.

- 21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid:

A formal/written contract supporting the service arrangements and the amount paid was noted for the vendors selected.

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- > If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder):

Contracts selected were for the provision of nursing services and parent payments for foster care. The contracts were for services and were not within the requirements to apply Louisiana Public Bid Law or Procurement Code.

> If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice:

Not applicable.

c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment:

Contract selected were not amended.

d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract:

The invoices and related payments selected complied with the terms and conditions of the contract.

e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter):

The contracts noted and selected were not of sufficient value to require board approval in accordance with the policies of Gulf Coast.

## Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

We obtained a signed list of employees from the management team as of year-end and a payroll register. We randomly selected twenty five employees. We agreed the semi-weekly payments Personnel Change Form (PCM) located in their personnel files. Management provided representations that the listing was complete.

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure:

We reviewed the compensation paid to each employee during the fiscal period and ensured the hourly rates paid agreed with the approved Personnel Change Form documenting the most recent hourly rates. No exceptions were noted.

- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy:

Changes to pay rates during the fiscal period for selected employee were approved in writing. Personnel Change Forms (PCN) documented changes in pay rates for each employee. The Form is filed in the employee personnel file.

- 23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

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

Documentation of daily attendance and leave was noted for each selected employee.

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials:

Documentation of supervisor approval for attendance and leave was noted for each selected employee.

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave:

Documentation of written leave records were maintained for employees selected.

24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management:

We obtained a listing of employees terminated during the fiscal period and management provided representation that the listing is complete. Termination payments of selected employees were made in strict accordance with policy and/or contract and approved by management.

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines:

We obtained supporting documentation relating to payroll taxes and retirement contributions during the fiscal period noting that related payments and required reporting forms were submitted to the applicable agencies by the required deadlines.

#### Ethics (excluding nonprofits)

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26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed:

Gulf Coast is a nonprofit organization; therefore, this item is not applicable.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy:

Gulf Coast is a nonprofit organization; therefore, this item is not applicable.

#### Debt Service (excluding nonprofits)

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28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained:

Gulf Coast is a nonprofit organization; therefore, this item is not applicable.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants:

Gulf Coast is a nonprofit organization; therefore, this item is not applicable.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off:

Gulf Coast is a nonprofit organization; therefore, this item is not applicable.

#### Other

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31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled:

Management has asserted that the entity did not have any misappropriations of public funds or assets during the reporting period.

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at [www.la.gov/hotline](http://www.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds:

Required notices are posted on the entity's premises and website.

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception:

No exceptions noted regarding the management representations for the agreed upon procedures noted above.

Conclusion

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We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. This report is intended solely for the use of management of Gulf Coast Teaching Family Services, Inc. (doing business as Gulf Coast Social Service), and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



BERNARD & FRANKS

A Corporation of Certified Public Accountants

Metairie, Louisiana  
November 30, 2017