

**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, 2020 AND 2019**

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

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**JUNE 30, 2020 AND 2019**

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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 AUDITORS' REPORT

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

### Report on the Financial Statements

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 of the combined statements of financial position as of June 30, 2020 and 2019, 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' 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, 2020 and 2019, 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.

### **Change in Accounting Principle**

As described in Note 15 to the financial statements, Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate adopted the Financial Accounting Standards Board's ASU 2016-18, "Statement of Cash Flows: Restricted Cash" for the year ended June 30, 2020. Our opinion is not modified with respect to that matter.

### **Other Matters**

#### *Supplementary and Other Information*

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 combined 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 combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2020, on our consideration of Gulf Coast Teaching Family Services, Inc., d/b/a Gulf Coast Social Services and Affiliate's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Gulf Coast Teaching Family Services, Inc., d/b/a Gulf Coast Social Services and Affiliate's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Gulf Coast Teaching Family Services, Inc., d/b/a Gulf Coast Social Services and Affiliate's internal control over financial reporting and compliance.

*Bernard & Franks*

December 22, 2020

**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, 2020 AND 2019**

ASSETS	<u>2020</u>	<u>2019</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 3,770,568	\$ 728,632
Certificates of deposit	253,242	453,522
Program receivables (less allowance for doubtful accounts of \$40,000 and \$40,000)	990,121	1,497,332
Prepaid expenses	132,500	124,509
Total current assets	<u>\$ 5,146,431</u>	<u>\$ 2,803,995</u>
 <b>PROPERTY AND EQUIPMENT - AT COST</b>		
Land	\$ 527,283	\$ 527,282
Building and improvements	2,944,903	2,937,799
Software	47,529	275,301
Leasehold improvements	22,990	82,093
Furniture and equipment	586,861	934,167
Transportation equipment	146,676	146,676
	<u>4,276,242</u>	<u>4,903,318</u>
Less accumulated depreciation and amortization	<u>(2,250,694)</u>	<u>(2,768,745)</u>
	<u>\$ 2,025,548</u>	<u>\$ 2,134,573</u>
 <b>OTHER ASSETS</b>		
Deposits	\$ 22,644	\$ 20,175
Restricted cash	607,810	607,559
Total other assets	<u>\$ 630,454</u>	<u>\$ 627,734</u>
 Total assets	 <u>\$ 7,802,433</u>	 <u>\$ 5,566,302</u>

See Notes to Financial Statements.

LIABILITIES AND NET ASSETS	<u>2020</u>	<u>2019</u>
CURRENT LIABILITIES		
Accounts payable	\$ 117,027	\$ 82,981
Accrued liabilities	<u>833,711</u>	<u>787,970</u>
Total current liabilities	<u>\$ 950,738</u>	<u>\$ 870,951</u>
LONG-TERM DEBT	<u>\$ 2,134,700</u>	<u>\$ -</u>
COMMITMENTS AND CONTINGENCIES	<u>\$ -</u>	<u>\$ -</u>
NET ASSETS		
Without donor restrictions	<u>\$ 4,716,995</u>	<u>\$ 4,695,351</u>
Total liabilities and net assets	<u><u>\$ 7,802,433</u></u>	<u><u>\$ 5,566,302</u></u>

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
**d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE**  
**(A NONPROFIT ORGANIZATION)**  
**COMBINED STATEMENTS OF ACTIVITIES**  
**YEARS ENDED JUNE 30, 2020 AND 2019**

	2020	2019
	Without Donor Restrictions	Without Donor Restrictions
REVENUE, GAINS, AND SUPPORT:		
Grants and fees for services	\$ 14,630,412	\$ 13,842,639
Contributions	5,380	21,206
Investment income	19,678	26,310
Other income	7,430	4,287
	<u>14,662,900</u>	<u>13,894,442</u>
TOTAL REVENUES, GAINS AND SUPPORT	\$ 14,662,900	\$ 13,894,442
EXPENSES:		
Program Services		
Foster Care/Professional Care	\$ 725,396	\$ 540,618
Personal care attendants	4,040,507	4,182,604
Supervised independent living	3,996,330	3,887,078
Respite services	298,080	137,900
Homeless/Housing	40,006	77,458
Elderly Services	88,363	128,895
Others, in total	1,961,044	1,668,517
	<u>11,149,726</u>	<u>10,623,070</u>
Total program expenses	\$ 11,149,726	\$ 10,623,070
Support Services		
Administrative and general	\$ 3,491,530	\$ 2,971,285
	<u>3,491,530</u>	<u>2,971,285</u>
Total support services	\$ 3,491,530	\$ 2,971,285
TOTAL EXPENSES	\$ 14,641,256	\$ 13,594,355
Change in net assets	\$ 21,644	\$ 300,087
NET ASSETS, BEGINNING OF YEAR	<u>4,695,351</u>	<u>4,395,264</u>
NET ASSETS, END OF YEAR	<u>\$ 4,716,995</u>	<u>\$ 4,695,351</u>

See Notes to Financial Statements.

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

**COMBINED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2020**

	Program Services				
	Professional Foster Care	Personal Care Attendants	Supervised Independent Living	Respite Services	Housing/ Homeless
Salaries and wages	\$ 165,230	\$ 3,579,344	\$ 3,530,051	\$ 245,431	\$ 8,001
Severance package	-	-	-	-	-
Employee benefits	3,758	26,937	19,109	1,702	-
Payroll taxes	11,856	271,791	270,122	18,616	541
Workmen's compensation	4,209	96,000	93,976	6,670	139
Total payroll cost	<u>\$ 185,053</u>	<u>\$ 3,974,072</u>	<u>\$ 3,913,258</u>	<u>\$ 272,419</u>	<u>\$ 8,681</u>
Office supplies	\$ 440	\$ 118	\$ 123	\$ 539	\$ -
Advertising	5,455	25	36	22	-
Bad debts	-	231	449	-	-
Telephone	1,864	5,041	5,850	489	151
Training	1,302	-	-	59	-
Travel	2,753	39,940	40,339	9,927	40
HUD supporting services	-	-	-	-	14,767
Professional services	-	62	-	-	677
Insurance	-	-	-	-	-
Repairs and maintenance	-	(50)	-	-	-
Depreciation	-	-	-	-	-
Interest	-	-	-	-	-
Lease expense	-	-	-	-	-
HUD rental assistance	-	-	-	-	-
Client needs	5,649	241	786	1,022	15,690
Room and board	219,437	-	-	-	-
Contractual services	293,810	-	-	-	-
Utilities	-	-	-	-	-
Consultants	-	3,843	18,871	-	-
Computer expense	-	14	-	-	-
Recognition expense	4,738	467	553	21	-
Care facilities fees	-	-	-	-	-
Food	-	-	-	-	-
Life skills training	-	-	-	-	-
Medical supplies	-	5,263	7,628	54	-
Others, in total	4,895	11,240	8,437	13,528	-
Total expenses	<u>\$ 725,396</u>	<u>\$ 4,040,507</u>	<u>\$ 3,996,330</u>	<u>\$ 298,080</u>	<u>\$ 40,006</u>

See Notes to Financial Statements.

Program Services			Supporting Services		
Elderly Services	Other Programs	Total Program Services	Administrative and General	Total Supporting	Grand Totals
\$ 44,853	\$ 1,554,136	\$ 9,127,046	\$ 1,936,981	\$ 1,936,981	\$ 11,064,027
-	-	-	-	-	-
648	14,203	66,357	40,252	40,252	106,609
3,335	116,686	692,947	154,206	154,206	847,153
645	37,880	239,519	10,741	10,741	250,260
<u>\$ 49,481</u>	<u>\$ 1,722,905</u>	<u>\$ 10,125,869</u>	<u>\$ 2,142,180</u>	<u>\$ 2,142,180</u>	<u>\$ 12,268,049</u>
\$ 360	\$ 1,312	\$ 2,892	\$ 62,054	\$ 62,054	\$ 64,946
-	907	6,445	8,515	8,515	14,960
-	-	680	-	-	680
-	8,407	21,802	89,694	89,694	111,496
-	11,287	12,648	18,512	18,512	31,160
810	78,681	172,490	20,152	20,152	192,642
-	-	14,767	-	-	14,767
-	42,226	42,965	327,137	327,137	370,102
-	22,141	22,141	166,069	166,069	188,210
-	12,560	12,510	87,454	87,454	99,964
-	7,101	7,101	120,451	120,451	127,552
-	-	-	-	-	-
-	11,035	11,035	206,264	206,264	217,299
-	-	-	-	-	-
-	7,378	30,766	1,478	1,478	32,244
-	-	219,437	-	-	219,437
-	-	293,810	-	-	293,810
-	5,307	5,307	48,330	48,330	53,637
-	6,531	29,245	-	-	29,245
-	25	39	35,283	35,283	35,322
-	60	5,839	33,919	33,919	39,758
-	-	-	-	-	-
28,366	-	28,366	-	-	28,366
-	-	-	-	-	-
-	910	13,855	3,725	3,725	17,580
9,346	22,271	69,717	120,313	120,313	190,030
<u>\$ 88,363</u>	<u>\$ 1,961,044</u>	<u>\$ 11,149,726</u>	<u>\$ 3,491,530</u>	<u>\$ 3,491,530</u>	<u>\$ 14,641,256</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, 2019**

	Program Services				
	Professional Foster Care	Personal Care Attendants	Supervised Independent Living	Respite Services	Housing/ Homeless
Salaries and wages	\$ 127,927	\$ 3,659,607	\$ 3,394,962	\$ 113,934	\$ 22,826
Employee benefits	3,517	22,096	21,835	269	35
Payroll taxes	9,096	276,878	256,218	8,604	1,736
Workmen's compensation	3,062	96,214	86,754	3,053	576
Total payroll cost	<u>\$ 143,602</u>	<u>\$ 4,054,795</u>	<u>\$ 3,759,769</u>	<u>\$ 125,860</u>	<u>\$ 25,173</u>
Office supplies	\$ -	\$ 2,480	\$ 2,563	\$ -	\$ -
Advertising	2,567	745	822	-	-
Bad debts	-	1,780	1,537	-	-
Telephone	2,972	7,381	7,692	43	478
Training	2,406	212	224	-	-
Travel	2,630	45,877	43,510	6,905	251
HUD supporting services	-	-	-	-	16,841
Professional services	-	159	-	-	11,958
Insurance	-	-	-	-	-
Repairs and maintenance	-	1,129	959	-	-
Depreciation	-	-	-	-	-
Interest	-	-	-	-	-
Lease expense	576	33,041	23,755	32	213
HUD rental assistance	-	-	-	-	-
Client needs	5,694	609	(2,336)	-	22,267
Room and board	130,458	-	-	-	-
Contractual services	236,177	-	-	-	-
Utilities	-	2,492	2,700	-	-
Consultants	-	5,300	20,768	-	-
Computer expense	-	380	159	-	-
Recognition expense	3,231	1,726	4,584	25	-
Care facilities fees	-	-	-	-	-
Food	-	-	-	-	-
Life skills training	-	-	-	-	-
Medical supplies	-	5,068	4,296	-	-
Others, in total	10,305	19,430	16,076	5,035	277
Total direct expenses	<u>\$ 540,618</u>	<u>\$ 4,182,604</u>	<u>\$ 3,887,078</u>	<u>\$ 137,900</u>	<u>\$ 77,458</u>

See Notes to Financial Statements.

Program Services			Supporting Services			
Elderly Services	Other Programs	Total Program Services	Administrative and General	Total Supporting	Total	
\$ 96,599	\$ 1,257,776	\$ 8,673,631	\$ 1,630,981	\$ 1,630,981	\$ 10,304,612	
1,147	12,040	60,939	26,471	26,471	87,410	
7,174	93,358	653,064	126,813	126,813	779,877	
2,049	28,859	220,567	8,176	8,176	228,743	
<u>\$ 106,969</u>	<u>\$ 1,392,033</u>	<u>\$ 9,608,201</u>	<u>\$ 1,792,441</u>	<u>\$ 1,792,441</u>	<u>\$ 11,400,642</u>	
\$ 366	\$ 3,139	\$ 8,548	\$ 43,874	\$ 43,874	\$ 52,422	
25	3,864	8,023	8,431	8,431	16,454	
-	-	3,317	4,765	4,765	8,082	
566	9,138	28,270	83,773	83,773	112,043	
-	50	2,892	6,857	6,857	9,749	
3,158	100,203	202,534	19,747	19,747	222,281	
-	-	16,841	-	-	16,841	
-	51,691	63,808	266,159	266,159	329,967	
-	20,848	20,848	158,927	158,927	179,775	
226	20,081	22,395	84,674	84,674	107,069	
-	767	767	142,795	142,795	143,562	
-	-	-	-	-	-	
1,886	13,083	72,586	144,328	144,328	216,914	
-	-	-	-	-	-	
-	15,772	42,006	1,603	1,603	43,609	
-	-	130,458	-	-	130,458	
-	-	236,177	-	-	236,177	
169	3,346	8,707	43,262	43,262	51,969	
-	2,597	28,665	-	-	28,665	
-	233	772	22,704	22,704	23,476	
-	155	9,721	37,180	37,180	46,901	
-	-	-	-	-	-	
9,738	-	9,738	-	-	9,738	
-	-	-	-	-	-	
75	203	9,642	1,036	1,036	10,678	
5,717	31,314	88,154	108,729	108,729	196,883	
<u>\$ 128,895</u>	<u>\$ 1,668,517</u>	<u>\$ 10,623,070</u>	<u>\$ 2,971,285</u>	<u>\$ 2,971,285</u>	<u>\$ 13,594,355</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, 2020 AND 2019**

	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease ) in unrestricted net assets	\$ 21,644	\$ 300,087
Adjustments to reconcile increase in unrestricted net assets to net cash provided by operating activities:		
Depreciation	127,552	143,562
Unrealized (gain) loss on investments	677	(10,770)
Loss on sale of investments	882	14,618
Changes in assets and liabilities:		
(Increase) decrease in program receivables	507,211	(359,964)
(Increase) decrease in prepaid expenses	(7,991)	(8,035)
Increase (decrease) in accounts payable and accrued liabilities	79,787	67,111
Net cash provided by (used in) operating activities	\$ 729,762	\$ 146,609
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	\$ -	\$ 200,090
Purchase of certificates	(348,924)	(401,618)
Redemption of certificates of deposit	549,000	147,015
Purchases of property and equipment	(19,874)	(62,401)
Proceeds from long-term debt	2,134,700	-
Deposits (made) returned	(2,469)	(696)
Net cash used in investing activities	\$ 2,312,433	\$ (117,610)
Net increase (decrease) in cash and cash equivalents	\$ 3,042,195	\$ 28,999
Cash, cash equivalents and restricted cash, beginning of year	1,336,191	1,307,192
Cash, cash equivalents and restricted cash, end of year	\$ 4,378,386	\$ 1,336,191
Cash, cash equivalents and restricted cash as of December 31, 2020 and 2019 consist of the following:		
Cash and cash equivalents	\$ 3,770,568	\$ 728,632
Cash restricted for:		
Deposits securing line of credit	350,000	350,000
Unemployment self insurance fund deposits	257,810	257,559
	\$ 4,378,378	\$ 1,336,191

See Notes to Financial Statements

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
**d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

**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 follow 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 CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

**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**

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

**2. Financial Statement Presentation**

The Organization follows the financial statement presentation recommended by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) topic 958, Not-for-Profit Entities. The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions. The governing board has not designated, from net assets without donor restrictions, net assets for an operating reserve and a board-designated endowment. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

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

**2. Financial Statement Presentation (Continued)**

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

The Organization's unspent contributions are reported in net assets with donor contributions if the donor limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. As of June 30, 2020 and 2019, the Organization has not received any contributions with donor-imposed restrictions that would result in donor restricted net assets.

**3. 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.

**4. 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 2017, 2018 and 2019 are subject to examination by the IRS, generally for three years after they were filed.

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

**5. Cash and Cash Equivalents**

Cash, 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 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, 2020 and 2019 \$3,401,099 and \$327,308, respectively, of cash was in excess of the FDIC insured limits, respectively.

**6. Restricted Cash**

Restricted cash consist of balances in cash accounts that are required by loan and operating agreements.

**7. 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, 2020 and 2019.

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, 2020 and 2019 was \$680 and \$8,082, respectively.

**8. Depreciation and Amortization**

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

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;

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

**8. Depreciation and Amortization (continued)**

significant renewals and betterments are capitalized. Donated property is capitalized at fair value. Depreciation and amortization expense amounted to \$127,552 and \$143,562 for the years ended June 30, 2020 and 2019, respectively.

**9. Compensated Absences**

Accumulated paid time off is payable upon termination of employment and is accrued. Gulf Coast's obligation as of June 30, 2020 and 2019 totaled \$329,864 and \$320,673, respectively, which is included in accrued expenses on the Statement of Financial Position.

**10. Program Revenues**

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

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

**11. Allocated Costs**

Expenses are charged to each program directly when the charge is identified to the program. Program expenditures 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 \$3,581,454 and \$2,954,058 to the various programs it administered during the years ended June 30, 2020 and 2019, respectively. Directly identifiable expenses are charged to programs and supporting services. 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)**

**12. Donated Property and Equipment**

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

**13. In Kind - Matching**

Some grant agreements require that the Organization provide matching funds in 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 grant requirements primarily consisted of 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.

**14. Certificates of Deposit**

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

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

**15. Investments**

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

**16. Fair Value Measurement Standard**

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

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

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

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

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

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

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

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

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

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

**17. Principles of Combination**

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

**NOTE 3 – RESTRICTED CASH AND LINE OF CREDIT**

The Organization had restricted cash and investments of \$607,810 and \$607,559 for the years ended June 30, 2020 and 2019, respectively.

In accordance with the requirements of the Unemployment Insurance Fund Plan, the Organization maintained a restricted reserve balance of \$257,810 and \$257,559 for the years ended June 30, 2020 and 2019, respectively. The reserved funds are available for future unemployment claims if such claims arise in the future.

The Organization also maintains a cash reserve that secures a line of credit required by governmental funders in the amount of \$350,000. The line of credit was unused for the years ended June 30, 2020 and 2019.

**NOTE 4 – CERTIFICATE OF DEPOSIT**

The certificates of deposit balance at June 30, 2020 and 2019, held with various financial institutions, was \$253,242 and \$453,522, respectively.

The Organization holds several certificates of deposit at June 30, 2020 with maturity dates from July 2020 through January 2021 bearing annual interest rates ranging from 1.60% to 2.70%.

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**NOTE 5 – INVESTMENT SECURITIES**

Investment securities at June 30, 2019 consist of the following:

Recurring fair value instruments:	Cost	Quoted Prices Active Markets (Level 1)	Realized Loss	Unrealized (Gain) Loss
Description				
Vanguard-GNMA-Admiral Cl	\$ -	\$ -	\$ (12,807)	\$ -
	\$ -	\$ -	\$ (12,807)	\$ -

Interest income for the years ended June 30, 2020 and 2019 was \$19,678 and \$26,310, respectively.

**NOTE 6 – PROGRAM RECEIVABLES**

Program receivables consist of reimbursements for expenses incurred or revenue earned on fees for service and per-diem contracts. Program receivables consist of the following as of June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Department of Health and Human Services	\$ 33,036	\$ 22,399
Medicaid	458,185	938,559
U.S. Department of Housing and Urban Development	-	46,695
U.S. Department of Juvenile Justice and Delinquency Prevention	28,605	26,202
State of Louisiana:		
Office of Mental Health	25,210	62,585
Office of Community Services	241,177	118,033

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**NOTE 6 – PROGRAM RECEIVABLES (Continued)**

	2020	2019
Terrebonne Parish Consolidated Government	-	38,519
South Central LA Human Services	108,870	166,251
Private	-	7,518
LRS – LA	480	600
Veterans Affairs	102,503	109,686
Other	32,054	285
Subtotal	\$ 1,030,120	\$ 1,537,332
Less: Allowance for Doubtful Accounts	(40,000)	(40,000)
Total, net	\$ 990,120	\$ 1,497,332

**NOTE 7 – SUBSEQUENT EVENTS**

Subsequent events were evaluated through December 22, 2020, which is the date the financial statements were available to be issued. In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no immediate impact to the Organization’s operations. Changes to the operating environment may increase operating costs. The future effects of these issues are unknown.

**NOTE 8 – ACCRUED LIABILITIES**

Accrued liabilities consist of the following at June 30, 2020 and 2019:

	2020	2019
Accrued salaries and payroll taxes	\$ 485,828	\$ 444,104
Compensated absences	329,864	320,673
Other	18,019	23,193
Total	\$ 833,711	\$ 787,970

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**NOTE 9. PAYCHECK PROTECTION PROGRAM LOAN**

The Organization received loan proceeds in the amount of \$2,134,700 under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and associated accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the twenty-four week period.

The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first ten months. The Organization intends to use the proceeds for purposes consistent with the PPP forgiveness requirements. At June 30, 2020, if the loan was to be paid in accordance with the terms of the note, then monthly payments of \$91,082 including interest would begin in September 2021 and be paid through August 2023. The loan balance would increase \$28,661 for accrued interest. Principle payments of \$892,535, \$1,085,266 and \$91,009 would be paid for the years ended June 30, 2022, 2023 and 2024, respectively.

**NOTE 10 – LEASES**

The Organization leases facilities and equipment under operating leases expiring through the year 2024. Rental expense related to these leases was \$217,299 and \$216,914 for the years ended June 30, 2020 and 2019, respectively. Minimum future rental payments due under these leases as of June 30, 2020 are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Minimum</u> <u>rental payments</u>
2021	\$ 17,935
2022	10,935
2023	4,615
2024	385
Total	<u>\$ 33,870</u>

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

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**NOTE 11 – 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 \$19,822 in 2020 and \$8,959 in 2019.

All known claims as of June 30, 2020 have been recorded in the financial statements.

**NOTE 12 – ECONOMIC DEPENDENCY**

The Organization receives a majority of its revenue (99% and 98% in 2020 and 2019, respectively) 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 13 – 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 14 – 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 1,000 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, 2020 and 2019.

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**NOTE 15 – LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Organization had the following financial assets available at June 30, 2020 within one year of the statement of financial position date for general expenditures:

Cash and cash equivalents	\$ 3,770,568
Certificates of deposit	253,242
Program receivables	990,121
	<hr/>
	\$ 5,013,931
	<hr/>

The Organization has \$5,013,931 of financial assets available to meet cash needs for general expenditures as noted above. None of the financial assets listed above are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

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

The Organization also maintains a \$350,000 line of credit with the bank to be used for working capital emergencies. The line of credit is secured by restricted cash and investments and is required by a governmental funder. The line of credit was unused as of June 30, 2020.

**NOTE 16 – NEW ACCOUNTING PRONOUNCEMENTS - ADOPTED**

On November 17, 2016, FASB issued ASU 2016-18 “Statement of Cash Flows: Restricted Cash.” The new guidance is intended to reduce diversity in the presentation of restricted cash and restricted cash equivalents in the statement. The statement requires that restricted cash and restricted cash equivalents be included as components of total cash and cash equivalents as presented on the statement of cash flows. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

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**NOTE 16 – NEW ACCOUNTING PRONOUNCEMENTS – ADOPTED (Continued)**

On August 18, 2016, FASB issued ASU 2018-08, “Not-for-Profit Entities (Topic 958) – Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.” The Update addresses the inconsistencies in accounting for transactions as a contribution or as an exchange transaction and determining whether a contribution is conditional. The Organization has adopted this standard. The adoption of the standard did not have a material impact on the Organization’s revenue recognition policies.

**NOTE 17 - PENDING ACCOUNTING PRONOUNCEMENTS**

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires that lessees to recognize right-of-use assets and lease liabilities for all leases with terms longer than 12 months. The ASU is effective for the Organization for periods beginning after December 15, 2020. The adoption of this standard is expected to result in the Organization's recognizing right-of-use assets and lease liabilities for some leases currently accounted for as operating leases under the legacy lease accounting guidance. Management is evaluating the impact of this standard on the Organization's financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU amends the existing accounting standards for revenue recognition, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method.

**SUPPLEMENTARY INFORMATION**

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
**d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE**  
**(A NONPROFIT ORGANIZATION)**  
**SCHEDULE 1 - COMBINED STATEMENT OF REVENUES**  
**AND EXPENSES BY COST REPORT GROUPING**  
**YEARS ENDED JUNE 30, 2020 AND 2019**

	2020	2019
<b>REVENUE</b>		
Programs	\$ 14,630,412	\$ 13,842,639
Donations	5,380	21,206
Interest income	19,678	26,310
Other income	7,430	4,287
	<b>\$ 14,662,900</b>	<b>\$ 13,894,442</b>
 <b>EXPENSES</b>		
Administrative and general	\$ 6,540,923	\$ 5,807,770
Plant operation and maintenance	535,240	502,254
Dietary, laundry, and linen	29,725	11,470
Personal client needs	32,243	43,609
Therapeutic and training	7,306,817	7,164,317
Medical and nursing	17,353	10,678
Recreational	149,710	25,592
Consultants	29,245	28,665
	<b>\$ 14,641,256</b>	<b>\$ 13,594,355</b>
 <b>INCREASE (DECREASE) IN NET ASSETS</b>		
<b>WITHOUT DONOR RESTRICTIONS</b>	<b>\$ 21,644</b>	<b>\$ 300,087</b>

GULF COAST TEACHING FAMILY SERVICES, INC.  
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SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND  
YEAR ENDED JUNE 30, 2020

	Foster Care					Personal Care Attendants		
	20-105 Regular Foster Care Baton Rouge TIPS # 020008014	40-105 Regular Foster Care Houma TIPS	50-105 RFC Lafayette	60-105 Foster Care New Orleans TIPS Provider # 010007819	Subtotal Foster Care	20-101 PCA Baton Rouge Provider # 1912913	20-108 ROW- PCA Baton Rouge	20-119 PCS Baton Rouge Provider # 1173703
Administrative and General	\$ 47,445	\$ 26,791	\$ 880	\$ 128,384	\$ 203,500	\$ 127,041	\$ 473	\$ 10,227
Plant operation and capital asset costs	-	-	-	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	1,415	-	-	4,233	5,648	-	-	-
Medical and nursing	-	-	-	-	-	1,000	-	107
Therapeutic and training	293,502	27,508	-	195,238	516,248	508,042	6,426	61,722
Recreational	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	140	-	-
Subtotal programs	\$ 342,362	\$ 54,299	\$ 880	\$ 327,855	\$ 725,396	\$ 636,223	\$ 6,899	\$ 72,056
Subtotal administrative and general								
Administrative costs - allocated	155,335	13,921	260	104,622	274,138	288,345	3,129	32,696
Totals	<u>\$ 497,697</u>	<u>\$ 68,220</u>	<u>\$ 1,140</u>	<u>\$ 432,477</u>	<u>\$ 999,534</u>	<u>\$ 924,568</u>	<u>\$ 10,028</u>	<u>\$ 104,752</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, 2020

	<b>Personal Care Attendants</b>					
	30-101 PCA Hammond Provider # 1690082	30-119 PCS Hammond Provider # 1173789	40-101 PCA Houma TIPS Provider # 1935166	40-102 Children's Choice Waiver Houma Provider # 2179870	40-108 ROW- PCA Houma	40-117 EPSDT Houma
Administrative and General	\$ 58,534	\$ 497	\$ 120,412	\$ 10,913	\$ 7,651	\$ 7,610
Plant operation and capital asset costs	-	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-
Personal client needs	-	-	-	-	-	-
Medical and nursing	-	-	1,299	-	-	-
Therapeutic and training	229,084	3,240	774,254	60,735	23,732	25,735
Recreational	-	-	-	-	-	-
Consultants	1,447	-	-	-	-	-
Subtotal programs	\$ 289,065	\$ 3,737	\$ 895,965	\$ 71,648	\$ 31,383	\$ 33,345
Subtotal administrative and general						
Administrative costs - allocated	96,943	1,249	229,358	18,376	8,048	8,552
Totals	\$ 386,008	\$ 4,986	\$ 1,125,323	\$ 90,024	\$ 39,431	\$ 41,897

GULF COAST TEACHING FAMILY SERVICES, INC.  
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SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND  
YEAR ENDED JUNE 30, 2020

	<b>Personal Care Attendants</b>							
	40-119 PCS Houma Provider # 1173720	40-412 SCLHSA PCA Houma	50-101 PCA Lafayette TIPS #1910384	50-108 ROW- PCA Lafayette	51-101 PCA Alexandria Provider # 1910384	51-119 PCS Alexandria	52-101 PCA Lake Charles Provider # 1984205	60-101 PCA New Orleans Provider # 1910686
Administrative and General	\$ -	\$ 14,785	\$ 136,572	\$ 2,401	\$ 14,900	\$ -	\$ 69,188	\$ 76,414
Plant operation and capital asset costs	46,124	-	-	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	-	-	226	(21)	-	-	-	36
Medical and nursing	-	-	1,807	-	68	-	532	223
Therapeutic and training	227	110,637	563,402	23,540	152,657	135	265,356	319,611
Recreational	121,055	-	54	-	-	-	194	52
Consultants	-	-	1,829	-	-	-	427	-
Subtotal programs	\$ -	\$ 125,422	\$ 703,890	\$ 25,920	\$ 167,625	\$ 135	\$ 335,697	\$ 396,336
Subtotal administrative and general	167,406							
Administrative costs - allocated		32,162	207,800	7,652	63,951	51	93,857	126,259
Totals	<u>\$ 42,933</u>	<u>\$ 157,584</u>	<u>\$ 911,690</u>	<u>\$ 33,572</u>	<u>\$ 231,576</u>	<u>\$ 186</u>	<u>\$ 429,554</u>	<u>\$ 522,595</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, 2020

	Personal Care Attendants					Supervised Independent Living		
	60-102 Children's Choice Waiver New Orleans Provider # 2182277	60-115 Traumatic Brain Injury New Orleans	60-117 EPSDT New Orleans Provider # 1912913	60-119 PCS New Orleans Provider # 1173754	Subtotal Personal Care Attendant	20-103 Supervised Living Title XIX Baton Rouge Provider # 1912913	30-103 SIL-Title XIX Hammond Provider # 1690082	40-103 SIL Title XIX Houma Provider # 1935166
Administrative and General	\$ 1,491	\$ 89	\$ 960	\$ 4,335	\$ 664,493	\$ 145,727	\$ 22,187	\$ 90,446
Plant operation and capital asset costs	-	-	-	-	46,124	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	-	-	-	-	241	206	52	-
Medical and nursing	-	-	-	-	5,036	766	-	824
Therapeutic and training	15,278	3,651	8,529	43,422	3,199,415	377,697	83,185	594,921
Recreational	-	-	-	-	121,355	10	-	-
Consultants	-	-	-	-	3,843	1,488	-	11,495
Subtotal programs	\$ 16,769	\$ 3,740	\$ 9,489	\$ 47,757	\$ 4,040,507	\$ 525,894	\$ 105,424	\$ 697,686
Subtotal administrative and general								
Administrative costs - allocated	5,351	1,194	2,992	15,239	1,243,204	238,634	35,249	178,926
Totals	<u>\$ 22,120</u>	<u>\$ 4,934</u>	<u>\$ 12,481</u>	<u>\$ 62,996</u>	<u>\$ 5,283,711</u>	<u>\$ 764,528</u>	<u>\$ 140,673</u>	<u>\$ 876,612</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, 2020

	<u>Supervised Independent Living</u>					<u>Respite</u>		
	50-103 SIL- Title XIX Lafayette Provider # 1910384	51-103 SIL- Title XIX Alexandria Provider # 1690538	52-103 SIL- Title XIX Alexandria Provider # 1984205	60-103 SIL-Title XIX New Orleans Provider # 1910686	60-604 Non- Medicaid SIL Vendor # 294	Subtotal Supervised Independent Living	20-426 Short Term Respite Baton Rouge	30-426 Short Term Respite Northshore
Administrative and General	\$ 154,130	\$ 205,085	\$ 68,754	\$ 52,293	\$ 26	\$ 738,648	\$ 83,164	\$ 291
Plant operation and capital asset costs	-	-	-	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	(460)	54	599	335	-	786	-	-
Medical and nursing	1,962	3,454	532	90	-	7,628	-	-
Therapeutic and training	729,280	963,295	241,940	239,950	-	3,230,268	247	-
Recreational	14	26	6	73	-	129	1,027	-
Consultants	3,638	585	1,665	-	-	18,871	-	-
Subtotal programs	\$ 888,564	\$ 1,172,499	\$ 313,496	\$ 292,741	\$ 26	\$ 3,996,330	\$ 84,438	\$ 291
Subtotal administrative and general								
Administrative costs - allocated	262,850	447,027	87,650	93,425	8	1,343,769	38,314	97
<b>Totals</b>	<u>\$ 1,151,414</u>	<u>\$ 1,619,526</u>	<u>\$ 401,146</u>	<u>\$ 386,166</u>	<u>\$ 34</u>	<u>\$ 5,340,099</u>	<u>\$ 122,752</u>	<u>\$ 388</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, 2020

	<b>Respite</b>							<b>Homeless Housing</b>		
	40-426 Short Term Respite Houma	50-426 Short Term Respite Lafayette	51-426 Short Term Respite Alexandria	52-102 Respite Lake Charles	Short Term Respite Lake Charles	60-426 Short Term Respite New Orleans	60-609 JPHSA Rec. Crisis Resp. New Orleans	Subtotal Respite	40-600 HUD The Network Houma	Subtotal Homeless Housing
Administrative and General	\$ 22,980	\$ 36,931	\$ 8,045	\$ 259	\$ 26,699	\$ 112,610	\$ -	\$ 290,979	\$ 24,316	\$ 24,316
Plant operation and capital asset costs	-	-	-	-	-	-	8	8	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-	-	-
Personal client needs	17	-	-	-	85	920	-	1,022	15,690	15,690
Medical and nursing	54	-	-	-	-	-	-	54	-	-
Therapeutic and training	-	-	-	-	-	-	-	247	-	-
Recreational	57	558	137	-	195	3,796	-	5,770	-	-
Consultants	-	-	-	-	-	-	-	-	-	-
Subtotal programs	<u>\$ 23,108</u>	<u>\$ 37,489</u>	<u>\$ 8,182</u>	<u>\$ 259</u>	<u>\$ 26,979</u>	<u>\$ 117,326</u>	<u>\$ 8</u>	<u>\$ 298,080</u>	<u>\$ 40,006</u>	<u>\$ 40,006</u>
Subtotal administrative and general										
Administrative costs - allocated	<u>5,924</u>	<u>11,067</u>	<u>3,119</u>	<u>73</u>	<u>7,543</u>	<u>37,447</u>	<u>3</u>	<u>103,587</u>	<u>10,270</u>	<u>10,270</u>
Totals	<u><u>\$ 29,032</u></u>	<u><u>\$ 48,556</u></u>	<u><u>\$ 11,301</u></u>	<u><u>\$ 332</u></u>	<u><u>\$ 34,522</u></u>	<u><u>\$ 154,773</u></u>	<u><u>\$ 11</u></u>	<u><u>\$ 401,667</u></u>	<u><u>\$ 50,276</u></u>	<u><u>\$ 50,276</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, 2020

	<u>Elderly Services</u>		<u>Other Programs</u>					
	40-413 Houma Senior Center Houma	Subtotal Elderly Services	20-114 Private Contracts Baton Rouge	20-312 Dept. of Veterans Affairs Baton Rouge	20-626 Client Assistance Fund Baton Rouge	20-710 Adult Day Habilitation Baton Rouge	20-711 Adult Day Habilitation Baton Rouge	30-106 OJJ/YS Trackers Northshore
Administrative and General	\$ 47,128	\$ 47,128	\$ 5,125	\$ 4,414	\$ -	\$ 93,138	\$ 3,793	\$ 98,934
Plant operation and capital asset costs	-	-	-	-	-	10,966	307	-
Dietary, laundry & linen, and housekeeping	28,366	28,366	-	-	-	1,359	-	-
Personal client needs	-	-	80	-	200	-	-	-
Medical and nursing	-	-	-	-	-	341	-	-
Therapeutic and training	3,809	3,809	25,159	962	-	20,195	-	347
Recreational	9,060	9,060	-	-	-	1,033	-	-
Consultants	-	-	50	1,063	-	-	-	-
Subtotal programs	<u>\$ 88,363</u>	<u>\$ 88,363</u>	<u>\$ 30,414</u>	<u>\$ 6,439</u>	<u>\$ 200</u>	<u>\$ 127,032</u>	<u>\$ 4,100</u>	<u>\$ 99,281</u>
Subtotal administrative and general								
Administrative costs - allocated	<u>22,665</u>	<u>22,665</u>	<u>13,696</u>	<u>2,921</u>	<u>-</u>	<u>57,653</u>	<u>1,861</u>	<u>33,195</u>
Totals	<u>\$ 111,028</u>	<u>\$ 111,028</u>	<u>\$ 44,110</u>	<u>\$ 9,360</u>	<u>\$ 200</u>	<u>\$ 184,685</u>	<u>\$ 5,961</u>	<u>\$ 132,476</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, 2020

	<b>Other Programs</b>							
	30-312 Dept. of Veterans Affairs Northshore	40-106 OJJ/YS Trackers Houma	40-114 Private Pay Houma	40-312 Dept. of Veterans Affairs Houma	40-400 SCLHSA Mental Health Houma	40-402 SCLHSA Clinic Staffing II Houma	40-404 SCLHSA A Clinic Staffing III Houma	40-415 Le Cirque Mentoring Houma
Administrative and General	\$ 19,350	\$ 91,816	\$ 1,149	\$ 11,358	\$ 598,829	\$ 64,076	\$ 28,576	\$ 98,019
Plant operation and capital asset costs	-	-	-	-	3,600	-	-	4,650
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	-	-	-	-	-	-	-	-
Medical and nursing	-	-	-	-	-	-	-	122
Therapeutic and training	66,220	-	9,141	14,849	-	-	-	4,713
Recreational	-	-	-	-	-	-	-	12,291
Consultants	4,742	-	-	-	-	-	-	-
Subtotal programs	\$ 90,312	\$ 91,816	\$ 10,290	\$ 26,207	\$ 602,429	\$ 64,076	\$ 28,576	\$ 119,795
Subtotal administrative and general								
Administrative costs - allocated	30,196	23,550	2,641	6,721	154,495	16,431	7,325	30,728
Totals	<u>\$ 120,508</u>	<u>\$ 115,366</u>	<u>\$ 12,931</u>	<u>\$ 32,928</u>	<u>\$ 756,924</u>	<u>\$ 80,507</u>	<u>\$ 35,901</u>	<u>\$ 150,523</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, 2020

	<b>Other Programs</b>							
	40-418 SCLHSA Life Skills Houma	50-106 OJJ/YS Trackers Lafayette	50-114 Private Pay Lafayette	50-229 Intensive Consumer Care Lafayette	50-312 Dept. of Veterans Affairs Lafayette	50-609 CART Lafayette	50-612 ROW Host Home Res. Opt. Lafayette	51-114 Private Pay Alexandria
Administrative and General	\$ 37,573	\$ 64,005	\$ 34	\$ 108,469	\$ 425	\$ 103,909	\$ 50,984	\$ 9
Plant operation and capital asset costs	-	-	-	2,361	-	1,558	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	-	-	-	6,998	-	-	100	-
Medical and nursing	-	-	-	-	-	-	-	-
Therapeutic and training	705	388	-	-	7,404	-	9,298	274
Recreational	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	158	-	248	-
Subtotal programs	\$ 38,278	\$ 64,393	\$ 34	\$ 117,828	\$ 7,987	\$ 105,467	\$ 60,630	\$ 283
Subtotal administrative and general								
Administrative costs - allocated	9,815	19,010	10	34,785	2,358	31,136	17,899	108
Totals	\$ 48,093	\$ 83,403	\$ 44	\$ 152,613	\$ 10,345	\$ 136,603	\$ 78,529	\$ 391

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, 2020

	<b>Other Programs</b>						<b>Total Programs</b>	
	51-312 Dept. of Veterans Affairs Alexandria	52-114 Private Contracts Lake Charles	52-312 Dept. of Veterans Affairs Lake Charles	60-114 Private Pay New Orleans	60-312 Dept. of Veterans Affairs New Orleans	60-601 MHSD (Match) Mentor New Orleans	Subtotal Other Programs	Total Programs
Administrative and General	\$ 40,916	\$ 1,567	\$ 33,537	\$ 32	\$ 141	\$ 932	\$ 1,561,110	\$ 3,530,174
Plant operation and capital asset costs	-	-	-	-	-	-	23,442	69,574
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	1,359	29,725
Personal client needs	-	-	-	-	-	-	7,378	30,765
Medical and nursing	-	-	447	-	-	-	910	13,628
Therapeutic and training	85,541	5,573	89,970	1,361	1,609	3,272	346,981	7,296,968
Recreational	-	-	-	-	-	9	13,333	149,647
Consultants	-	-	270	-	-	-	6,531	29,245
Subtotal programs	\$ 126,457	\$ 7,140	\$ 124,224	\$ 1,393	\$ 1,750	\$ 4,213	\$ 1,961,044	\$ 11,149,726
Subtotal administrative and general								
Administrative costs - allocated	48,213	1,996	34,732	444	559	1,344	583,822	3,581,455
Totals	<u>\$ 174,670</u>	<u>\$ 9,136</u>	<u>\$ 158,956</u>	<u>\$ 1,837</u>	<u>\$ 2,309</u>	<u>\$ 5,557</u>	<u>\$ 2,544,866</u>	<u>\$ 14,731,181</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, 2020

	<b>Administrative and General</b>								
	10-198 Admin. Central	20-198 Admin. Baton Rouge	30-198 Admin. Hammond	40-198 Admin. Houma	50-198 Admin. Lafayette	51-198 Admin. Alexandria	52-198 Admin. Lake Charles	60-198 Admin. New Orleans	10-005
Administrative and General	\$ 1,450,203	\$ 395,784	\$ 75,632	\$ 316,781	\$ 238,789	\$ 290,995	\$ 82,030	\$ 160,478	\$ -
Plant operation and capital asset costs	33,781	24,297	35,391	70,703	70,173	7,902	31,223	6,840	8,767
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-	-
Personal client needs	-	-	-	-	610	-	868	-	-
Medical and nursing	-	-	977	552	1,109	263	474	350	-
Therapeutic and training	-	5,528	226	901	2,880	16	70	228	-
Recreational	-	-	-	63	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-	-
Subtotal programs	<u>\$ 1,483,984</u>	<u>\$ 425,609</u>	<u>\$ 112,226</u>	<u>\$ 389,000</u>	<u>\$ 313,561</u>	<u>\$ 299,176</u>	<u>\$ 114,665</u>	<u>\$ 167,896</u>	<u>\$ 8,767</u>
Subtotal administrative and general									
Administrative costs - allocated	<u>(1,588,933)</u>	<u>(545,612)</u>	<u>(112,517)</u>	<u>(389,044)</u>	<u>(314,612)</u>	<u>(343,029)</u>	<u>(114,665)</u>	<u>(173,042)</u>	<u>-</u>
Totals	<u><u>\$ (104,949)</u></u>	<u><u>\$ (120,003)</u></u>	<u><u>\$ (291)</u></u>	<u><u>\$ (44)</u></u>	<u><u>\$ (1,051)</u></u>	<u><u>\$ (43,853)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (5,146)</u></u>	<u><u>\$ 8,767</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, 2020

	<b>Administrative and General</b>							
	10-010 2400 Edenborn Central	10-198 Admin. Baton Rouge	20-198 Admin. Baton Rouge	20-710 Day Hab Baton Rouge	51-198 Jackson Street Admin. Office Alexandria	60-198 2400 Edenborn New Orleans	Subtotal General and Administrative	Totals-Program, Administrative and General Funds
Administrative and General	\$ -	\$ -	\$ -	\$ 57	\$ -	\$ -	\$ 3,010,749	\$ 6,540,923
Plant operation and capital asset costs	59,045	2,378	74,974	-	23,238	16,954	465,666	535,240
Dictary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	29,725
Personal client needs	-	-	-	-	-	-	1,478	32,243
Medical and nursing	-	-	-	-	-	-	3,725	17,353
Therapeutic and training	-	-	-	-	-	-	9,849	7,306,817
Recreational	-	-	-	-	-	-	63	149,710
Consultants	-	-	-	-	-	-	-	29,245
Subtotal programs	\$ 59,045	\$ 2,378	\$ 74,974	\$ 57	\$ 23,238	\$ 16,954	\$ 3,491,530	\$ 14,641,256
Subtotal administrative and general								
Administrative costs - allocated	-	-	-	-	-	(1)	(3,581,455)	-
Totals	<u>\$ 59,045</u>	<u>\$ 2,378</u>	<u>\$ 74,974</u>	<u>\$ 57</u>	<u>\$ 23,238</u>	<u>\$ 16,953</u>	<u>\$ (89,925)</u>	<u>\$ 14,641,256</u>

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
**d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE**  
**(A NONPROFIT ORGANIZATION)**  
**SCHEDULE 3 - SCHEDULE OF COMPENSATION**  
**YEAR ENDED JUNE 30, 2020**

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

<u>Purpose:</u>	<u>Total</u>
Salary	\$ 170,774
Benefits-medical insurance	1,868
Benefits-dental	125
Cell Phone	780
Total	<u>\$ 173,547</u>

**SPECIAL REPORTS OF INDEPENDENT AUDITOR**



**BERNARD & FRANKS**  
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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

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

JAMES L. WHITE, C.P.A.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the combined financial statements of Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services (both nonprofit organizations) and its Affiliate, which comprise the combined statement of financial position as of June 30, 2020 and 2019, and the related combined statements of activities, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated December 22, 2020.

**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.



December 22, 2020

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
**d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2020**

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

1. The auditor's report expresses an unmodified opinion on the financial statements of Gulf Coast Teaching Family Services, Inc., d/b/a Gulf Coast Social Services and Affiliate were prepared in accordance with generally accepted accounting principles.
2. No significant deficiencies or material weaknesses in internal control were disclosed during the audit of the financial statements were reported in the Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Prepared in accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Gulf Coast Teaching Family Services, Inc., d/b/a Gulf Coast Social Services and Affiliate were disclosed in the Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Prepared in accordance with *Government Auditing Standards*.
4. Expenditures of federal awards were less than \$750,000 for the year ended June 30, 2020 and the Organization is exempt from the audit requirements of *Uniform Guidance*.
5. No management letter was issued for the year ended June 30, 2020.

**Section II – Findings - Financial Statement Audit**

There were no findings related to the financial statements noted during the audit for the year ended June 30, 2020.

**Section III - Findings and Questioned Costs – Major Federal Awards**

There were no findings related to major federal award programs during the audit for the year ended June 30, 2019 and this requirement is not applicable to the year ended June 30, 2020.

## **REPORTS BY MANAGEMENT**

**GULF COAST TEACHING FAMILY SERVICES, INC.**  
**d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE**  
**SUMMARY OF PRIOR YEAR'S AUDIT FINDINGS AND RESPONSES**  
**YEAR ENDED JUNE 30, 2020**

**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, 2019.

**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, 2019.

**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, 2019.

**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, 2019.

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

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

Bernard & Franks, A Corporation of CPA's \_\_\_\_\_ (CPA Firm Name)

4141 Veterans Memorial Blvd., Suite 313 \_\_\_\_\_ (CPA Firm Address)

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

In connection with your audit of our financial statements as of June 30, 2020 and for the year ended (period of audit) for the purpose of expressing an opinion as to the fair presentation of our financial statements in accordance with accounting principles generally accepted in the United States of America, to assess our internal control structure as a part of your audit, and to review our compliance with applicable laws and regulations, we confirm, to the best of our knowledge and belief, the following representations. These representations are based on the information available to us as of October 1, 2020 (date completed/date of the representations).

**PART I. Agency Profile**

1. Name and address of the organization.

Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate  
2400 Edenborn Avenue  
Metairie, LA 70001

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

See Attachment

3. Period of time covered by this questionnaire.

July 1, 2019-June 30, 2020

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

501 (c)(3)

5. Briefly describe the public services provided.

Gulf Coast 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.

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

See attachment

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

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

Yes  No

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

Yes  No

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

Yes  No

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

Yes  No

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

Yes  No

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

Yes  No

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

Yes  No

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

Yes  No

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

Yes  No

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

Yes  No

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

Yes  No

**Part III. Public Records**

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

Yes  No

**Part IV. Open Meetings**

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

Yes  No

**Part V. Budget**

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

Yes  No

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

Yes  No

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

Yes  No

**Part VI. Reporting**

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

Yes  No

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

Yes  No

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

Yes  No

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

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

<u>Barbara Kathleen Rathbun, Secretary</u>	Secretary	<u>12/23/2020</u>	Date
<u>Helen Siegel</u>	Treasurer	<u>12/23/2020</u>	Date
<u>Willie Aiken</u>	President	<u>12/23/2020</u>	Date

Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate  
Board of Directors  
June 30, 2020

<u>Name</u>	<u>Position</u>	<u>End Term</u>	<u>Address</u>	<u>Phone Number</u>
Willie Green	CEO/President	N/A	2400 Edenborn Ave., Metairie, LA 70001	504-831-6560
Bruce Kuehne	Vice Chair	12/31/2022	2400 Edenborn Ave., Metairie, LA 70001	504-831-6560
Barbara Rathburn	Secretary	N/A	2400 Edenborn Ave., Metairie, LA 70001	504-831-6560
Helen Siegel	Treasurer	12/31/2022	2400 Edenborn Ave., Metairie, LA 70001	504-831-6560
Scott St. Cyr	Chair	12/31/2020	2400 Edenborn Ave., Metairie, LA 70001	504-831-6560
Eugene J. Green, Jr.	Board Member	12/31/2022	2400 Edenborn Ave., Metairie, LA 70001	504-831-6560
Sean C. Hamilton	Board Member	12/31/2021	2400 Edenborn Ave., Metairie, LA 70001	504-831-6560
Chad M. Libutti	Board Member	12/31/2021	2400 Edenborn Ave., Metairie, LA 70001	504-831-6560
Torin Sanders	Board Member	12/31/2022	2400 Edenborn Ave., Metairie, LA 70001	504-831-6560

Attachment to the Louisiana Questionnaire