

**WEESE PROVIDERS CORPORATION**  
**Batchelor, Louisiana**

**FINANCIAL REPORT**

**SEPTEMBER 30, 2023**

**Roslyn J. Johnson, LLC**  
Certified Public Accountant

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**WEESE PROVIDERS CORPORATION**  
**Batchelor, Louisiana**

**TABLE OF CONTENTS**

	<b>Page</b>
<b>Independent Auditor's Report</b>	1
<b>Financial Statements</b>	
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
<b>Single Audit Reports</b>	
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 <i>Government Auditing Standards</i>	12
Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance required by <i>Uniform Guidance</i>	14
Schedule of Expenditures of Federal Awards	17
Notes to the Schedule of Federal Award	17
Schedule of Findings and Questioned Costs	18
Summary Schedule of Prior Audit Findings and Questioned Costs	22

**WEESE PROVIDERS, CORPORATION**  
**Batchelor, Louisiana**

**TABLE OF CONTENTS (Concluded)**

	<b>Page</b>
<b>Supplementary Information Schedules</b>	
Schedule 1 - Schedule of Claims	23
Schedule 2 - Meals Served and Program Reimbursement	24
Schedule 3 – Schedule of Compensation, Benefits and Other Payments to Executive Director	25
<b>State Reporting Section</b>	
Independent Accountant’s Report on Applying Statewide Agreed-Upon Procedures	26

Independent Auditor's Report

To the Board of Directors  
**Weese Providers Corporation**  
Batchelor, Louisiana

**Opinion**

I have audited the accompanying financial statements of **Weese Providers Corporation (the Organization)** (a nonprofit organization), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

**Basis for Opinions**

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

**Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the **Weese Providers'** ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the **Weese Providers'** internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about **Weese Providers'** ability to continue as a going concern for a reasonable period of time.

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

### **Supplementary Information**

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived

from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, I have also issued my report dated February 26, 2024, on my consideration of **Weese Providers'** internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my 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 **Weese Providers'** 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 **Weese Providers'** internal control over financial reporting and compliance.

Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Roslyn J. Johnson, LLC*

Baton Rouge, Louisiana  
February 26, 2024

**WEESE PROVIDERS, INC.**

**Statement of Financial Position  
September 30, 2023**

**ASSETS**

**Current Assets**

Cash - restricted (note 2)	\$ 13,445.79
Cash - unrestricted (note 2)	15,340.14
Total Cash	<u>28,785.93</u>
Reimbursements receivable (note 3)	<u>195,089.20</u>
<b>Total Current Assets</b>	<u><u>\$ 223,875.13</u></u>

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accounts payable	\$ 4,302.54
Accrued salaries and wages	11,131.46
Payroll taxes payable	1,850.55
Funds held on behalf of others (note 4)	97.00
Due to providers (note 5)	<u>162,853.20</u>
<b>Total Current Liabilities</b>	<u>180,234.75</u>

**Net Assets**

Without donor restrictions:	
Undesignated	<u>43,640.38</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 223,875.13</u></u>

The accompanying notes are an integral part of this statement.

**WEESE PROVIDERS, INC.**

**Statement of Activities  
For the Year Ended September 30, 2023**

<b>Support and Revenues</b>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Federal Financial Assistance through the Louisiana Department of Education:			
Administrative reimbursement		\$ 185,754.00	\$ 185,754.00
Program reimbursement		957,254.61	957,254.61
Other income	710.63	-	710.63
Net assets released from restrictions	\$1,144,313.68	(1,144,313.68)	
 Total support and revenues	 1,145,024.31	 (1,305.07)	 1,143,719.24
 <b>Expenses</b>			
Program Services:			
Meals served providers	957,720.54		957,720.54
Meal overclaims	4,804.13		4,804.13
Supporting Services:			
Management and general	162,694.92		162,694.92
Operational services	18,689.03		18,689.03
Contractual services	9,286.00		9,286.00
Other services	1,454.74		1,454.74
Total expenses	<u>1,154,649.36</u>	<u>-</u>	<u>1,154,649.36</u>
 <b>Change in Net Assets</b>	 (9,625.05)	 (1,305.07)	 (10,930.12)
 <b>Net Assets - Beginning of Year</b>	 <u>53,265.43</u>	 <u>1,305.07</u>	 <u>54,570.50</u>
 <b>Net Assets - End of Year</b>	 <u>\$ 43,640.38</u>	 <u>-</u>	 <u>\$ 43,640.38</u>

The accompanying notes are an integral part of this statement.

**WEESE PROVIDERS, INC.**

**Statement of Functional Expenses  
For the Year Ended September 30, 2023**

	Program Service Expenses	Supporting Service Expenses	Total
<b>EXPENSES</b>			
Personal services		\$ 144,526.18	\$ 144,526.18
Employee benefits		17,968.74	17,968.74
Travel		6,591.92	6,591.92
Provider training		200.00	200.00
Copier rental		2,359.24	2,359.24
Copier maintenance		1,627.38	1,627.38
Supplies		5,172.22	5,172.22
Telephone		2,398.27	2,398.27
Accounting costs		3,286.00	3,286.00
Auditing costs		6,000.00	6,000.00
Miscellaneous		1,994.74	1,994.74
Louisiana Department of Education	4,804.13		4,804.13
CACFP provider payments	957,720.54	-	957,720.54
Total expenses	<u>\$ 962,524.67</u>	<u>\$ 192,124.69</u>	<u>\$ 1,154,649.36</u>

The accompanying notes are an integral part of this statement.

**WEESE PROVIDERS, INC.**

**Statement of Cash Flows  
For the Year Ended September 30, 2023**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in net assets	\$ (10,930.12)
Adjustments to reconcile change in net assets to cash provided by operating activities:	
(Increase) Decrease in Current Assets	
Reimbursements receivable	10,229.00
Increase (Decrease) in Current Liabilities	
Accounts payable	2,752.85
Payroll taxes payable	(2,287.74)
Funds held on behalf of others	(200.00)
Due to providers	<u>(10,461.00)</u>
Net cash provided (used) by operating activities	<u>(10,897.01)</u>
<b>Net decrease in cash</b>	(10,897.01)
<b>CASH AT BEGINNING OF YEAR</b>	<u>39,682.94</u>
<b>CASH AT END OF YEAR</b>	<u><u>\$ 28,785.93</u></u>

The accompanying notes are an integral part of this statement

## **Weese Providers Corporation**

Notes to the Financial Statements  
For the Year Ended September 30, 2023

### **Note 1 – Summary of Significant Accounting Policies**

#### **A. Organization**

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

#### **B. Basis of Accounting and Financial Presentation**

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

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board's (FASB) Accounting Standard Codification (ASC) 958, *Not-for-Profit Entities*. Under FASB ACS 958, **the Organization** reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions include those net assets whose use by **the Organization** is not restricted by donors, even though their use may be limited in other respects, such as by contract or board designation. Net assets with donor restrictions are those net assets received with donor-imposed restrictions limiting **the Organization's** use of the assets.

#### **C. Net Assets Released from Restrictions**

Expiration of temporary restrictions of net assets (i.e., donor-stipulated purpose has been fulfilled and/or the stipulated time has elapsed) are reported as reclassifications between the applicable classes of net assets.

#### **D. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent

assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results may differ from those estimates.

**E. Reimbursements Receivable**

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

**F. Functional Expenses**

The cost of providing the program services and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**G. Equipment and Furniture**

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

**H. Income Taxes**

**Weese Providers Corporation** qualifies as a tax-exempt organization under Section 501(c)(4) of the Internal Revenue Code and comparable Louisiana law. Accordingly, no provision for income taxes has been made in these financial statements.

**I. Statement of Cash Flows**

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

**J. Liquidity Management**

As of September 30, 2023, the **Organization** has financial assets of \$28,785.93 in cash, with \$13,445.79 subject to donor restrictions and a remaining balance of \$15,340.14, which could be made readily available within one year of the statement of financial position date to meet general expenditures. As a part of its liquidity, management has established a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

**Note 2 - Cash**

At September 30, 2023, the **Organization** has cash (book balance) totaling \$28,785.93, which are in noninterest-bearing demand accounts. The deposits are stated at cost, which approximate market and are fully secured by federal deposit insurance.

**Note 3 – Reimbursements Receivables**

Reimbursements receivable represent reimbursements due from the Louisiana Department of Education for meals served during the month of September 2023.

Provider Reimbursement Receivable	\$162,853.20
Administrative Reimbursement Receivable	<u>32,236.00</u>
Total Reimbursements Receivable	<u>\$195,089.20</u>

**Note 4 – Funds Held on Behalf of Others**

The Organization acts as a custodian for the Fire Marshal funds. Funds held for fire inspections at September 20, 2023 amounted to \$97.00, and is reported as both an asset (restricted cash) and a liability (Funds held on behalf of others). Consequently, there is no effect on the organization’s net assets.

**Note 5 – Due to Providers**

Due to providers represents amounts owed to providers for the cost of meals served during the months of August and September 2023.

**Note 6 – Concentration of Revenues**

**The Organization** receives a its revenues from one major source, the Louisiana Department of Education. Revenue is based on the number of meals served by providers to children at the approved meal rates. Meal rates are determined on July 1 of each year by the Louisiana Department of Education. Meals served and approved meal rates are reported in the *Schedule of Meals Served and Program Reimbursements*. The revenue from this source represents mainly 100.0% of the organization’s total revenues during the year ended September 30, 2023.

**Note 7 - Office Space**

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

**NOTE 8 – LOUISIANA DEPARTMENT OF EDUCATION CARRYOVER**

The Organization’s administrative funds for the prior year exceeded the allowed 10% carryover. As a result, \$3,593.05, of the funds were returned to the Louisiana Department of Education (LDOE). In addition, \$1,211.08 in overclaims for the prior year was returned to LDOE.

**NOTE 9 – SIMPLIFIED EMPLOYEE PENSION PLAN (SEP)**

The SEP is a business retirement plan that allows the employer to contribute tax-deductible dollars to the employee’s retirement account. Each eligible employee gets the same percentage contribution, zero to 25%, of their individual compensation. Annual contributions to the SEP are not mandatory. Distribution of the SEP Plan is dependent upon availability of the funds within the approved budget of the CACFP program. Contributions for the year by the employer totaled \$16,996.74.

**Note 10– Board of Director**

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

**Note 11– Board Designation of Net Assets**

At September 30, 2023, **the Organization’s** Board has not designated any portion of net assets for specific purposes.

**Note 12– Subsequent Events**

Management is required to evaluate events or transactions that may occur after the statement of financial position date for potential recognition or disclosure in the financial statements. Management performed such an evaluation through February 26, 2024, the date that the financial statements were available to issue, and noted no subsequent events or transactions that occurred after the statement of financial position date requiring recognition or disclosure.

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

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on An Audit of Financial Statements Performed In Accordance With Government Auditing Standards**

To the Board of Directors  
**Weese Providers Corporation**  
Batchelor, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of United States, the financial statements of **Weese Providers Corporation (a nonprofit organization)** which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated February 26, 2024.

**Report on Internal Control Over Financial Reporting**

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, I did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001, that I consider to be a significant deficiency.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether **Weese Provider's** financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions

was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### **Weese Provider's Response to Findings**

*Government Auditing Standards* require the auditor to perform limited procedures on the Organization's response to findings identified in my audit and described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on the response.

#### **Purpose of this Report**

The purpose of this report is solely to describe the scope of my 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; however, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Legislative Auditor as a public document.

*Roslyn J. Johnson, LLC*

Baton Rouge, Louisiana  
February 26, 2024

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

To the Board of Directors  
**Weese Providers Corporation**  
Batchelor, Louisiana

**Report on Compliance for Each Major Federal Program**

**Opinion on Major Federal Program**

I have audited **Weese Providers, Inc., (the Organization)** (a nonprofit organization) with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of **Weese Provider's** major federal program for the year ended September 30, 2023. **Weese Provider's** major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In my opinion, **Weese Providers, Inc.** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each on its major federal program for the year ended September 30, 2023.

**Basis for Opinion on Major Federal Program**

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; and the audit requirements of Title 2 U. S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). My responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

I am required to be independent of **Weese Provider Inc.** and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major federal program. My audit does not provide a legal determination of **Weese Provider's** compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statues, regulations, rules, and provisions of contracts or grant agreements applicable to **Weese Provider's** federal programs.

## **Auditor's Responsibilities for the Audit of Compliance**

My objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on **Weese Provider's** compliance based on my audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about **Weese Provider's** compliance with the requirements of its major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding **Weese Provider's** compliance with the compliance requirements referred to above and performing such other procedures as I considered necessary in the circumstances.
- Obtain an understanding of **Weese Provider's** internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of **Weese Provider's** internal control over compliance. Accordingly, no such opinion is expressed.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that I identified during the audit.

## **Report on Internal Control over Compliance**

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

compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during my audit I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above. However, I did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-002, that I consider to be a significant deficiency.

My audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

### **Purpose of This Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose; however, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Legislative Auditor as a public document.

*Roslyn J. Johnson, LLC*

Baton Rouge, Louisiana  
February 26, 2024

**WEESE PROVIDERS, INC.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Year Ended September 30, 2023**

Federal Grantor/ Pass-Through Grantor/ Program Name	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures September 30, 2023
U. S. Department of Agriculture: Pass-through program from: Louisiana Department of Education - Child and Adult Care Food Program (FDCHP)	10.558	N/A	<u>\$1,143,008.61</u>

**Notes to Schedule of Expenditures of Federal Awards:**

**Note 1 - Summary of Significant Accounting Policies**

**A. Basis of Presentation**

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

**B. Accrued Reimbursement**

Federal awards are on a cost reimbursement basis.

**C. Federal Indirect Cost Rate**

Weese Providers did not elect to use the 10% de minimis federal indirect cost rate for the year ended September 30, 2023.

**D. Subrecipients**

Weese providers did not provide federal funds to any subrecipients during the year ended September 30, 2023.

The accompanying notes are an integral part of this schedule

**WEESE PROVIDERS, INC.**  
**Schedule of Findings and Questioned Costs**  
**Year Ended September 30, 2023**

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statement Audit**

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

**Audit of Federal Awards**

Internal control over major programs:

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

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) of the Uniform Guidance?	_____ X _____	Yes	_____	No
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Identification of major programs:

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

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

Auditee qualified as a low-risk auditee?	_____ X _____	Yes	_____	No
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**WEESE PROVIDERS, INC.**  
Batchelor, Louisiana

Schedule of findings and Questioned Costs (Continued)  
Year Ended September 30, 2023

**SECTION II. FINACIAL STATEMENT FINDINGS**

**Internal Control Over Financial Reporting**

**Audit Finding Reference Number**

**2023-001 Inadequate Internal Controls Over Processing Financial Transactions.**

**Condition:** The Organization's internal control procedures over financial transactions do not ensure proper segregation of duties when processing financial transactions, and sufficient documentation is maintained to support financial transactions. I noted during the examination of financial records for two test months the following deficiencies:

- Supporting documentation was not available for seven (7) of the seventeen (17) disbursement transactions examined.
- Supporting documentation for two (2) of the three (3) disbursement transactions on credit card statements for the two test months was not available. In addition, one of the credit card statements included the payment of penalty and finance charges.
- Time and attendance sheets for the Executive Director were not on file to support payroll for the two months examined.
- Travel reimbursements of the Executive Director were not independently reviewed and approved by another member of management or Board member prior to payment. In addition, the business/public purpose, i.e. monitoring of facilities, claimed on the travel reimbursement requests for several transactions, were not supported by a *Sponsor Monitoring Form*.
- Bank reconciliations did not include written evidence that they had been reviewed by a member of management that had not participated in the handling, posting, and issuance of checks.

**Criteria:** Good internal controls should ensure proper segregation of duties in the processing and approval of financial transactions. In addition, all disbursement transactions should be supported by sufficient documentation prior to payment and be allowable in accordance with the business/public purpose of the funding source.

**Cause:** The Organization has limited staff which resulted in the Executive Director handling several of the financial disbursement processes without sufficient review, oversight and approval by a member of the Board. The Executive Director failed to timely prepare, maintain on file and obtain proper approvals for financial transactions.

**WEESE PROVIDERS, INC.**  
Batchelor, Louisiana

Schedule of findings and Questioned Costs (Continued)  
Year Ended September 30, 2023

**Effect:** Lack of adequate internal controls over disbursement transactions increase the risk of improper payments and misappropriation of the Organization's assets.

**Recommendation:** All documentation to support disbursement transactions should be maintained on file with proper approval by the appropriate level of management to ensure proper segregation of duties.

**Management's Response:** Our shortage of staff resulted in the misfiling and failure to file certain documents to support financial transactions. In addition, our lack of staff in some instances, may have resulted in transaction processing procedures that did not ensure proper segregation of duties and proper approvals. However, all disbursements were made for the business/public purpose. We are currently in the process of obtaining additional staff to ensure proper segregation of duties, documentation, and timely preparation and filing of all future transactions.

**SECTION III. FEDERAL AWARD FINDINGS**

**Compliance**

**Audit Finding Reference Number**

**2023-002 FACILITY MONITORING**

**Condition:** The Organization could not document its compliance with 7 CFR.16, *Frequency and Type of Required Facility Reviews*. I noted during my examination of nine (9) facilities, that the *Sponsor Monitoring Forms* which are utilized to document the date, time, and type of meal monitored was not on file.

**Criteria:** 7 CFR.16, *Frequency and Type of Required Facility Reviews*, states Sponsoring organizations must review each facility three times each year.

**Cause:** *Sponsor Monitoring Forms* utilized to document compliance with 7 CFR 16, *Frequency and Type of Required Facility Review*, were not of file for the nine (9) facilities selected for testing. In addition, during my examination of travel reimbursements claimed by the Executive Director, I haphazardly selected several facility visits reported on the travel reimbursement form and noted the *Sponsor Monitoring Form* to support the travel claimed was not in the facility's file.

**Effect:** The Organization did not sufficiently document its compliance with 7 CFR 17, *Frequency and Type of Required Facility Reviews*. Failure to comply with 7 CFR 17, *Frequency and Type of Required*

**WEESE PROVIDERS, INC.**

Batchelor, Louisiana

Schedule of findings and Questioned Costs (Concluded)  
Year Ended September 30, 2023

*Facility Reviews* places the Organization in noncompliance with requirements of the Child and Adult Care Food Program (CACFP) and could result in termination of the program.

**Recommendation:** I recommend that the Organization establish internal controls (i.e. monitoring log) to ensure all facilities are visited three times during the fiscal year. In addition, all visits should be supported utilizing the *Sponsor Monitoring Form* and placed in the facilities file to document compliance.

**Management's Response:** Our shortage of staff resulted in the misfiling and/or failure to file timely the required documentation of our facility reviews, although facilities were visited in accordance with 7 CFR 16. We are currently in the process of obtaining additional staff to ensure all documentation of facility reviews is timely prepared and filed to support future compliance requirements of 7 CFR 16, *Frequency and Type of Required Facility Reviews*. In addition, we will prepare and update our monitoring log of facility visits in a timely manner.

**SECTION IV. MANAGEMENT LETTER**

Not Applicable

**WEESE PROVIDERS, INC.**  
**Schedule of Prior Year Findings and Questioned Costs**  
**Year Ended September 30, 2023**

No findings or questioned costs for the year ended September 30, 2022.

**SUPPLEMENTARY INFORMATION SCHEDULES**

WEESE PROVIDERS, INC.

Schedule of Claims  
Year Ended September 30, 2023

REIMBURSEMENTS ALLOWABLE

Administrative	\$ 185,754.00
Program	<u>957,254.61</u>
	<u>\$1,143,008.61</u>

REIMBURSEMENTS CLAIMED AND RECEIVED

Administrative	\$ 185,754.00
Program	<u>957,254.61</u>
Total	<u>\$1,143,008.61</u>

OVER (UNDER) CLAIM

Administrative	\$ -
Program	<u>-</u>

TOTAL OVER (UNDER) CLAIMED

\$ -
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Schedule 2

**WEESE PROVIDERS, INC.**

**Schedule of Meals Served and  
Program Reimbursement  
Year Ended September 30, 2023**

<b>OCTOBER 1, 2022 TO JUNE 30, 2023</b>	<u><b>BREAKFAST</b></u>	<u><b>LUNCH</b></u>	<u><b>SUPPLEMENT</b></u>	<u><b>SUPPER</b></u>	<u><b>TOTAL</b></u>
Number of meals claimed	13,574	73,246	107,996	116,146	310,962
Less: Meals refunded by sponsor					
Net meals allowed	13,574	73,246	107,996	116,146	310,962
Reimbursement rate	1.6600	3.0400	0.9700	3.0400	
Reimbursement based on rate	<u>\$ 22,532.84</u>	<u>\$ 222,667.84</u>	<u>\$ 104,756.12</u>	<u>\$ 353,083.84</u>	<u>\$ 703,040.64</u>
<b>JULY 1, 2023 TO SEPTEMBER 30, 2023</b>	<u><b>BREAKFAST</b></u>	<u><b>LUNCH</b></u>	<u><b>SUPPLEMENT</b></u>	<u><b>SUPPER</b></u>	<u><b>TOTAL</b></u>
Number of meals claimed	3,220	27,675	38,765	40,546	110,206
Less: Meals refunded by sponsor					
Net meals allowed	3,220	27,675	38,765	40,546	110,206
Reimbursement rate	1.6500	3.1200	0.9300	3.1200	
Reimbursement based on rate	<u>\$ 5,313.00</u>	<u>\$ 86,346.00</u>	<u>\$ 36,051.45</u>	<u>\$ 126,503.52</u>	<u>\$ 254,213.97</u>
<b>TOTAL MEALS CLAIMED</b>	16,794	100,921	146,761	156,692	421,168
<b>TOTAL NET MEALS ALLOWED</b>	16,794	100,921	146,761	156,692	421,168
<b>PROGRAM REIMBURSEMENT CLAIMED</b>	\$ 27,845.84	\$ 309,013.84	\$ 140,807.57	\$ 479,587.36	\$ 957,254.61
<b>PROGRAM REIMBURSEMENT ALLOWED</b>	\$ 27,845.84	\$ 309,013.84	\$ 140,807.57	\$ 479,587.36	<u>\$ 957,254.61</u>
<b>MEALS OVERCLAIMED AND REFUNDED TO LDOE</b>					<u><u>\$ -</u></u>

**WEESE PROVIDERS, INC.**

**Schedule of Compensation, Benefits, and Other Payments  
to Executive Director  
For The Year Ended September 30, 2023**

**MS. THI JUAN WELLS, EXECUTIVE DIRECTOR**

<b>PURPOSE</b>	<b>AMOUNT</b>
Salary	\$ 51,375.96
Benefits - Retirement	3,185.31
Benefits-Medicare	744.95
Travel	5,348.12
Pension	<u>7,533.50</u>
<b>TOTAL</b>	<b><u><u>\$ 68,187.84</u></u></b>

**STATE REPORTING SECTION**  
**AGREED-UPON PROCEDURES REPORT**

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

To the **Board of Directors of  
Weese Providers, Inc.**  
**and the Louisiana Legislative Auditor:**

I have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period **October 1, 2021 through September 30, 2023**. **Weese Providers, Inc.**'s management is responsible for those C/C areas identified in the SAUPs.

**Weese Providers, Inc.** has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period **October 1, 2021 through September 30, 2023**. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

***Written Policies and Procedures***

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I obtained from management its written policies and procedures utilized in the operations of **Weese Providers, Inc.** Because **Weese Provider's** public funds are federal major program funds received to operate the Child and Adult Care Food Program, they are subject to testing under the Single Audit and therefore AUP categories including written procedures are mainly covered under the pass-through agency agreement and/or the Compliance Supplement.

***Budgeting***

Comment: No exceptions were found as a result of this procedure.

***Purchasing***

Comment: No exceptions were found as a result of this procedure.

Disbursements

Comment: No exceptions were found as a result of this procedure.

Receipts/Collections

Comment: No exceptions were found as a result of this procedure.

Payroll/Personnel

Comment: No exceptions were found as a result of this procedure.

Contracting

Comment: No exceptions were found as a result of this procedure.

Credit Cards

Comment: The Organization written procedures do not address how the credit card is controlled, the allowable business uses, documentation requirements, required approvers of statements, and monitoring of card usage.

Travel and Expense Reimbursement

Comment: No exceptions were found as a result of this procedure.

Ethics

Comment: Not Applicable

Debt Service

Comment: Not Applicable

Information Technology Disaster Recovery/Business Continuity

Comment: No exceptions were found as a result of this procedure.

Prevention of Sexual Harassment

Comment: Not Applicable

## ***Board***

---

Obtained and inspected the board minutes for the fiscal period and determined that the Board met quarterly in accordance with the Organization's bylaws during the fiscal period. The minutes of the Board for each quarter referenced that three months of financial records were provided to Board members during each meeting, however, noted during my examination, the minutes of the meetings did not contain sufficient documentation on file of what financial records were provided for review.

There were no audit findings in the prior year requiring resolution.

***Management's Response:*** The three months of financial data presented to Board members at each quarterly meeting will be filed with the minutes of each meeting to evidence the Board members are providing proper review and oversight of financial transactions and sufficient segregation of duties in accordance with the Organization's policies.

## ***Bank Reconciliations***

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Obtained and inspected the bank reconciliations of the Organization's operating and general fund accounts for one month of the fiscal period. Noted the bank reconciliations did not include evidence, (e.g., initialed and dated), to support that they were prepared within two months of the related statement closing date or that a member of management, who does not handle cash, post ledgers, or issue checks had reviewed each bank reconciliation.

***Management's Response:*** All future bank reconciliations will be prepared within two months of the bank statement closing date and be submitted to the Board at the next quarterly meeting so that a member of the Board can review and approve bank reconciliations evidenced by signing and dating.

## ***Collections***

---

The Organization receives its funds by electronic deposit from the oversight agency. Therefore, there are no collection locations.

**Comment:** No exceptions were found as a result of this procedure.

## ***Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)***

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Selected a sample of eleven (11) non-payroll disbursement transactions and determined if sufficient supporting documentation, invoice or contract, matched the payment. Documentation to support seven (7) of the eleven (11) disbursement transactions was not on file. The Executive Director with Board oversight has responsibility for the proper processing of disbursement

transactions in accordance with written policies and procedures. However, for the eleven disbursement transactions examined the initiating, approval, and processing of disbursement transactions was handled by the Executive Director with no documentation of review and oversight by a member of the Board. An independent accountant is responsible for the recording and reporting of financial transactions.

**Management's Response:** All future disbursement transactions will be presented to the Board at the quarterly meetings.

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

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**Comment:** The organization has one credit card in the possession of the Executive Director. I obtained two months of credit card statements which contained three purchases. Two of the three purchases were not supported by original itemized receipts that identified precisely what was purchased. In addition, observed that finance charges and late penalties were assessed on one of the two credit card statements selected.

**Management's Response:** Written procedures for credit card statements will be revised to include how the credit care is controlled, the allowable business uses, documentation requirements, required approvers of statements, and monitoring of card usage. All future monthly credit card statements will be supported with original itemized receipts and payments will be made timely to avoid penalties and late fees or such fees will be paid through the Organization's General Fund.

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

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**Comment:** Obtained a listing of all travel reimbursements for the audit period. Determined that the reimbursement rate was no more than the rate established by *Louisiana Travel Guide* authorized by the oversight agency. Haphazardly selected two travel reimbursement transactions and examined the related expense reimbursement forms which documented the business/public purpose. Documentation to support the business/public purpose was not on file to support several transactions and the Executive Director's reimbursement form was not reviewed or approved in writing by a member of the Board.

**Management's Response:** Future travel of the Executive Director will be approved in writing by a member of the Board and all supporting documentation will be on file to support the business/public purpose.

### ***Contracts***

---

Obtain from management a listing of all agreements/contracts for professional services, materials and supplies that were initiated during the fiscal period. Determined all contracts were approved by the oversight agency during the Organization's budget approval process. Verified payments made for professional services in the two (2) selected test months were made in accordance with terms and conditions of the contract.

**Comment:** No exceptions were found as a result of this procedure.

***Payroll and Personnel***

---

I selected two pay-periods during the fiscal year and verified that employees were paid the authorized rates as approved by the oversight agency in the budget. In addition, I examined attendance and leave records for the selected payroll transactions and determined time and attendance for two of the three employees in my test months were properly approved by the supervisor. The Executive Director's time and attendance sheets were not on file for the two pay-periods tested.

**Management's Response:** Time and attendance sheets will be prepared by all employees and maintained on file to support payroll transactions. The Executive Director's time and attendance sheets will be approved by a member of the Board.

***Ethics***

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**Comment:** Not Applicable

***Debt Service***

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**Comment:** Not Applicable

***Fraud Notice***

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Observed the Organization has posted on its premises the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds. There was no misappropriation of funds.

**Comment:** No exceptions were found as a result of this procedure.

***Information Technology Disaster Recovery/Business Continuity***

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**Comment:** No exceptions were found as a result of this procedure.

***Sexual Harassment***

---

**Comment:** Not Applicable

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

I am required to be independent of Weese Providers, Inc. and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

*Roslyn J. Johnson, LLC*

Baton Rouge, Louisiana  
February 26, 2024