

**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, 2023 AND 2022

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

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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

Opinions

We have audited the accompanying financial statements of Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate (a non-profit organization), which comprise the statements of financial position as of June 30, 2023, and 2022 and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services, and Affiliate as of June 30, 2023, and 2022, and the changes in its net assets, functional expenses, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America 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 Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our 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 our opinions. 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 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 judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services, and Affiliate's 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 our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate's ability to continue as a going concern for a reasonable time.

We are 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 we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Compensation, Benefits, and Other Payments to the Chief Executive Officer on page 23 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 financial statements or to the 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 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 27, 2023, 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 internal control over financial reporting or 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

Metairie, Louisiana
December 27, 2023

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, 2023 AND 2022

ASSETS	2023	2022
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,696,934	\$ 3,460,869
Certificates of deposit	6,277,868	205,745
Program Receivables (less allowance for doubtful accounts of \$80,000 and \$40,000)	1,476,401	1,297,064
Accrued interest receivable	22,070	-
Prepaid expenses	205,636	169,184
Restricted cash	352,628	367,217
Total current assets	\$ 10,031,537	\$ 5,500,079
 PROPERTY AND EQUIPMENT - AT COST		
Land	\$ 590,783	\$ 590,783
Building and improvements	4,023,598	3,370,284
Software	55,329	55,329
Leasehold improvements	22,990	22,990
Furniture and equipment	632,000	617,461
Transportation equipment	130,863	125,863
	\$ 5,455,563	\$ 4,782,710
Less accumulated depreciation and amortization	(2,561,534)	(2,438,928)
Total property and equipment	\$ 2,894,029	\$ 2,343,782
 OTHER ASSETS		
Right-of-use asset	\$ 89,138	\$ 138,526
Deposits	14,572	13,423
Certificates of deposit	31,500	91,252
Restricted certificates of deposit	255,061	235,372
Total other assets	\$ 390,271	\$ 478,573
 Total assets	\$ 13,315,837	\$ 8,322,434

LIABILITIES AND NET ASSETS

	<u>2023</u>	<u>2022</u>
CURRENT LIABILITIES		
Accounts payable	\$ 284,235	\$ 305,992
Accrued liabilities	1,454,858	1,047,987
Current maturities of long-term debt	19,606	18,951
Current maturities of lease payable	<u>49,839</u>	<u>51,888</u>
Total current liabilities	<u>\$ 1,808,538</u>	<u>\$ 1,424,818</u>
LONG-TERM DEBT		
Leases payable	\$ 41,572	\$ 88,113
Mortgage payable to bank	<u>286,215</u>	<u>305,795</u>
Total long-term debt	<u>\$ 327,787</u>	<u>\$ 393,908</u>
COMMITMENTS AND CONTINGENCIES	<u>\$ -</u>	<u>\$ -</u>
NET ASSETS		
Without donor restrictions	<u>\$ 11,179,512</u>	<u>\$ 6,503,708</u>
Total liabilities and net assets	<u>\$ 13,315,837</u>	<u>\$ 8,322,434</u>

See Notes to Financial Statements.

GULF COAST TEACHNING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
(A NONPROFIT ORGANIZATION)
COMBINED STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
	<u>Without Donor</u>	<u>Without Donor</u>
	<u>Restrictions</u>	<u>Restrictions</u>
REVENUE, GAINS, AND SUPPORT:		
Grants and fees for services	\$ 16,194,768	\$ 14,207,752
Contributions	4,480	2,923
Forgiveness of Payroll Protection Program Loan	-	2,134,700
Employee retention credit	5,496,362	-
Investment income	74,695	(15,915)
Casualty loss from Hurricane Ida	-	(16,031)
Gain on sale of equipment	-	3,100
Other income	5,973	164,715
	<u>21,776,278</u>	<u>16,481,244</u>
TOTAL REVENUES, GAINS AND SUPPORT	\$ 21,776,278	\$ 16,481,244
EXPENSES:		
Program Services		
Foster Care/Professional Care	\$ 1,288,082	\$ 947,228
Personal care attendants	4,410,721	3,556,623
Supervised independent living	3,758,708	3,875,524
Respite services	780,808	684,075
Elderly Services	147,168	131,320
Others, in total	1,968,383	1,704,694
Total program expenses	<u>\$ 12,353,870</u>	<u>\$ 10,899,464</u>
Support Services		
Administrative and general	\$ 4,746,604	\$ 3,999,807
Total support services	<u>\$ 4,746,604</u>	<u>\$ 3,999,807</u>
TOTAL EXPENSES	\$ 17,100,474	\$ 14,899,271
CHANGE IN NET ASSETS	\$ 4,675,804	\$ 1,581,973
NET ASSETS, BEGINNING OF YEAR	<u>6,503,708</u>	<u>4,921,735</u>
NET ASSETS, END OF YEAR	<u>\$ 11,179,512</u>	<u>\$ 6,503,708</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, 2023

	Program Services			
	Professional Foster Care	Personal Care Attendants	Supervised Independent Living	Respite Services
Salaries and wages	\$ 230,565	\$ 3,871,298	\$ 3,297,845	\$ 594,898
Employee benefits	9,677	57,093	29,429	9,711
Payroll taxes	16,022	294,349	253,351	43,761
Workmen's compensation	5,239	99,090	83,515	15,154
Total payroll cost	<u>\$ 261,503</u>	<u>\$ 4,321,830</u>	<u>\$ 3,664,140</u>	<u>\$ 663,524</u>
Office supplies	\$ 1,296	\$ 720	\$ 310	\$ 624
Advertising	371	2,738	1,664	3,455
Bad debts	-	252	-	24,296
Telephone	1,848	4,811	4,304	2,185
Training	519	29	53	43
Travel	6,073	54,147	54,877	56,114
Professional services	-	370	-	-
Insurance	-	-	-	-
Repairs and maintenance	-	22	-	-
Depreciation	-	-	-	-
Interest	-	-	-	-
Lease expense, amortization, interest	-	-	-	-
Client needs	8,718	300	3,856	410
Room and board	422,699	-	-	-
Contractual services	533,396	-	-	-
Utilities	-	-	-	-
Consultants	-	4,641	13,706	-
Computer expense	-	390	714	-
Recognition expense	12,091	593	186	807
Rental expenses	-	-	-	-
Food	-	-	309	-
Medical supplies	-	2,444	2,971	-
Others, in total	39,568	17,434	11,618	29,350
Total direct expenses	<u>\$ 1,288,082</u>	<u>\$ 4,410,721</u>	<u>\$ 3,758,708</u>	<u>\$ 780,808</u>

See Notes to Financial Statements.

Program Services			Supporting Services		
Elderly Services	Other Programs	Total Program Services	Administrative and General	Total Supporting	Grand Totals
\$ 75,076	\$ 1,495,801	\$ 9,565,483	\$ 2,382,207	\$ 2,382,207	\$ 11,947,690
1,609	28,149	135,668	131,369	131,369	267,037
5,540	107,529	720,552	163,460	163,460	884,012
1,079	33,676	237,753	3,495	3,495	241,248
<u>\$ 83,304</u>	<u>\$ 1,665,155</u>	<u>\$ 10,659,456</u>	<u>\$ 2,680,531</u>	<u>\$ 2,680,531</u>	<u>\$ 13,339,987</u>
\$ 1,903	\$ 3,039	\$ 7,892	\$ 58,120	\$ 58,120	\$ 66,012
216	6,421	14,865	67,644	67,644	82,509
-	24,664	49,212	-	-	49,212
226	5,673	19,047	85,576	85,576	104,623
-	4,924	5,568	9,865	9,865	15,433
1,386	84,264	256,861	26,753	26,753	283,614
-	30,776	31,146	658,115	658,115	689,261
-	31,216	31,216	272,232	272,232	303,448
-	18,678	18,700	146,661	146,661	165,361
-	1,012	1,012	121,594	121,594	122,606
-	-	-	11,243	11,243	11,243
-	6,144	6,144	186,152	186,152	192,296
-	16,488	29,772	467	467	30,239
-	-	422,699	-	-	422,699
-	-	533,396	-	-	533,396
-	6,239	6,239	67,474	67,474	73,713
-	3,486	21,833	-	-	21,833
-	17,196	18,300	32,576	32,576	50,876
-	602	14,279	64,329	64,329	78,608
500	2,331	2,831	-	-	2,831
51,325	-	51,634	-	-	51,634
-	1,873	7,288	1,403	1,403	8,691
8,308	38,202	144,480	255,869	255,869	400,349
<u>\$ 147,168</u>	<u>\$ 1,968,383</u>	<u>\$ 12,353,870</u>	<u>\$ 4,746,604</u>	<u>\$ 4,746,604</u>	<u>\$ 17,100,474</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, 2022

	Program Services			
	Professional Foster Care	Personal Care Attendants	Supervised Independent Living	Respite Services
Salaries and wages	\$ 184,041	\$ 3,102,115	\$ 3,367,331	\$ 538,086
Severance package	-	-	-	-
Employee benefits	6,561	61,884	28,665	8,611
Payroll taxes	13,198	237,260	257,299	39,796
Workmen's compensation	5,162	89,784	96,828	15,717
Total payroll cost	<u>\$ 208,962</u>	<u>\$ 3,491,043</u>	<u>\$ 3,750,123</u>	<u>\$ 602,210</u>
Office supplies	\$ 126	\$ 2,834	\$ 1,451	\$ 352
Advertising	2,350	1,244	4,151	709
Bad debts	-	-	-	-
Telephone	1,778	3,621	4,400	1,491
Training	550	-	444	60
Travel	4,349	35,774	53,842	50,999
Professional services	21	80	-	-
Insurance	-	-	-	-
Repairs and maintenance	-	-	62	-
Depreciation	-	-	-	-
Interest	-	-	-	-
Lease expense	-	-	-	-
Client needs	6,716	152	8,676	22
Room and board	294,808	-	-	-
Contractual services	405,145	-	-	-
Utilities	-	-	-	-
Consultants	-	4,111	31,163	-
Computer expense	-	544	769	-
Recognition expense	7,291	579	1,139	521
Food	-	-	234	-
Medical supplies	-	4,224	4,308	-
Others, in total	15,132	12,417	14,762	27,711
Total direct expenses	<u>\$ 947,228</u>	<u>\$ 3,556,623</u>	<u>\$ 3,875,524</u>	<u>\$ 684,075</u>

See Notes to Financial Statements.

Program Services

Supporting Services

Program Services			Supporting Services		
Elderly Services	Other Programs	Total Program Services	Administrative and General	Total Supporting	Grand Totals
\$ 60,103	\$ 1,294,940	\$ 8,546,616	\$ 2,192,773	\$ 2,192,773	\$ 10,739,389
-	-	-	-	-	-
2,457	28,430	136,608	69,124	69,124	205,732
4,367	100,282	652,202	152,469	152,469	804,671
953	35,202	243,646	6,211	6,211	249,857
<u>\$ 67,880</u>	<u>\$ 1,458,854</u>	<u>\$ 9,579,072</u>	<u>\$ 2,420,577</u>	<u>\$ 2,420,577</u>	<u>\$ 11,999,649</u>
\$ 649	\$ 2,905	\$ 8,317	\$ 63,963	\$ 63,963	\$ 72,280
-	1,568	10,022	25,116	25,116	35,138
-	2,449	2,449	-	-	2,449
145	5,214	16,649	95,887	95,887	112,536
-	3,368	4,422	7,505	7,505	11,927
1,681	79,560	226,205	26,652	26,652	252,857
-	31,784	31,885	324,171	324,171	356,056
-	33,601	33,601	219,604	219,604	253,205
-	22,233	22,295	143,839	143,839	166,134
-	6,481	6,481	129,867	129,867	136,348
-	-	-	11,908	11,908	11,908
-	3,835	3,835	173,126	173,126	176,961
-	15,602	31,168	4,948	4,948	36,116
-	-	294,808	-	-	294,808
-	-	405,145	-	-	405,145
-	5,685	5,685	56,918	56,918	62,603
-	2,867	38,141	-	-	38,141
17,808	74	19,195	50,378	50,378	69,573
-	117	9,647	37,514	37,514	47,161
30,370	110	30,714	-	-	30,714
-	1,350	9,882	276	276	10,158
<u>12,787</u>	<u>27,037</u>	<u>109,846</u>	<u>207,063</u>	<u>207,063</u>	<u>316,909</u>
<u>\$ 131,320</u>	<u>\$ 1,704,694</u>	<u>\$ 10,899,464</u>	<u>\$ 3,999,312</u>	<u>\$ 3,999,312</u>	<u>\$ 14,898,776</u>

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES
(A NONPROFIT ORGANIZATION)
COMBINED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 4,675,804	\$ 1,581,973
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	122,606	136,348
Amortization of right of use assets	23,011	11,696
Forgiveness of Payroll Protection loan	-	(2,134,700)
Casualty loss from Hurricane Ida	-	16,031
Gain on sale of equipment	-	(3,100)
Changes in assets and liabilities:		
(Increase) in program receivables	(179,337)	(398,386)
(Increase) in accrued interest receivable	(22,070)	-
(Increase) decrease in prepaid expenses	(36,452)	(26,449)
Increase (decrease) in accounts payable and accrued liabilities	385,114	257,202
Net cash provided by (used in) operating activities	\$ 4,968,676	\$ (559,385)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of certificates of deposit	\$ (6,421,009)	\$ (469,440)
Redemption of certificates of deposit	388,949	470,620
Purchases of property and equipment	(672,853)	(274,441)
Proceeds from insurance for casualty loss	-	517,594
Proceeds from sale of equipment	-	3,100
Deposits (made) returned	(1,149)	2,647
Net cash (used in) provided by investing activities	\$ (6,706,062)	\$ 250,080
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on finance leases	\$ (22,213)	\$ (11,200)
Payment of debt principal	(18,925)	(18,291)
Net cash used in investing activities	\$ (41,138)	\$ (29,491)
Net increase (decrease) in cash and cash equivalents	\$ (1,778,524)	\$ (338,796)
Cash and cash equivalents, beginning of year	3,828,086	4,166,882
Cash and cash equivalents, end of year	\$ 2,049,562	\$ 3,828,086
Cash, cash equivalents and restricted cash as of June 30, 2023 and 2022 consisted of the following:		
Cash and cash equivalents	\$ 1,696,934	\$ 3,460,869
Cash restricted for		
Deposits securing lines of credit	350,000	350,000
Unemployment self insurance fund	2,628	17,217
	\$ 2,049,562	\$ 3,828,086

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, 2023 AND 2022

NOTE 1 – ORGANIZATION

Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate is a non-profit 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 families. It provides a program that will allow young people and their families to become normalized, independent, productive, and respected community citizens. These services are provided in the South Louisiana area.

Gulf Coast's Affiliate is Independent Living Properties, Inc., a non-profit corporation organized under the provisions 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 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 assists adults or children with mental or physical disabilities in performing activities of daily living that they might otherwise not be able to accomplish alone.

Supported Independent Living (SIL) - The SIL program works with individuals with mental and physical disabilities and older adolescents needing extra support, assistance, and monitoring.

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

Housing/Homeless – the program provides supportive housing and services to transition people experiencing homelessness into temporary and later permanent housing. Services include but are not limited to assistance in finding housing, acquiring necessary furnishings, integration into the community, and establishing community support. Management Information Systems are also installed and maintained for present and future assistance to people experiencing homelessness.

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 1 – ORGANIZATION (Continued)

Elderly – This type of service covers all needs of older adults, such as general hygiene needs, assisting with grocery shopping, meal planning, and preparation, teaching and helping with activities, finding resources, and encouraging interactions with other persons with similar interests.

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 based upon the existence or absence of restrictions on use placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

The governing board has not designated net assets without donor restrictions for an operating reserve or a board-designated endowment. Net assets with donor restrictions are subject to donor-imposed conditions. Some donor-imposed conditions are temporary, 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, such as those that the donor stipulates those resources be maintained in perpetuity.

Net assets without donor restrictions are resources available to support operations and are 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 during its operations.

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

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, such as those that a donor restricts for use for a particular purpose or a specific future period. Other restrictions may be perpetual, such as those that a donor restricts to maintain the resources in perpetuity.

The Organization's unspent contributions are reported in net assets with donor contributions if the donor limited their use, as promised gifts are not yet due. Donations of property and equipment or cash restricted to the 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, 2023 and 2022, the Organization has not received any contributions with donor-imposed conditions that would result in donor-restricted net assets.

3. Use of Estimates

Preparing financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect specific reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

4. Income Taxes

The Organization is a non-profit 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 2020, 2021, and 2022 are subject to examination by the IRS, generally for three years after they were filed.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Cash and Cash Equivalents

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

For the 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 and specific certificates of deposit at several financial institutions located in Louisiana. The cash balances and certificates of deposit are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. On June 30, 2023 and 2022 the amounts of \$7,163,195 and \$2,763,791, respectively, of cash and certificates of deposit were over the FDIC-insured limits.

6. Restricted Cash and Certificates of Deposit

Restricted cash and restricted certificates of deposit consist of balances held in accounts required by loan agreements and funding requirements of the Unemployment Insurance Fund Plan.

7. Allowance For Doubtful Accounts

The Organization has established an allowance for doubtful accounts to allow corrections and billing adjustments related to accounts receivable balances on June 30, 2023 and 2022.

If any, actual billing adjustments and bad debts are charged to the specific fund or programs as determined by management. Bad debt expenses for the years ended June 30, 2023 and 2022 were \$49,212 and \$2,449, 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, ten (10) years or lease term if shorter; furniture and fixtures, ten (10) years; computers and related equipment, 3 to 5 years; transportation equipment, 3 to 5 years.

The cost and related accumulated depreciation are removed when assets are disposed of or retired. Any resulting gain or loss is reflected in income for the period. The cost of maintenance and repairs is charged to income as incurred; significant renewals and

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Depreciation and Amortization (continued)

betterments are capitalized. Donated property is capitalized at fair value. Depreciation and amortization expenses amounted to \$122,606 and \$136,348 for the years ended June 30, 2023 and 2022, respectively.

9. Compensated Absences

Accumulated paid time off is payable upon termination of employment and is accrued. Gulf Coast's obligations as of June 30, 2023 and 2022 totaled \$499,808 and \$313,975, respectively, which are included in accrued expenses on the Statement of Financial Position.

10. Program Revenues

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

Program revenues earned on fee-for-service and per-diem contracts considered 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 that cannot be directly identified to a program are allocated based on square footage, usage statistics, and the 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 for \$4,784,714 and \$4,063,402 to the various programs it administered during the years ended June 30, 2023 and 2022, respectively. Directly identifiable expenses are charged to programs and support services. The allocation is based on the proportion of direct program costs to total direct program costs. The Statement of Activities includes these allocated costs in Administrative and General Expenses.

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d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Contributed Nonfinancial Assets

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 cash contributions 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 cash, in-kind contributions, or a combination of cash and in-kind contributions. A cash match represents the Organization's cash or expenditures from funds other than the grants. In-kind match grant requirements primarily consisted of donated materials, equipment, rental space, and the Organization's services.

In-kind match contributions are recorded as in-kind contributions in the general ledger, and an equal amount is recorded as an 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 investments that do 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 that have remaining maturity dates of less than one year are classified as short-term.

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Leases

The Organization determines if an arrangement is a financing or operating lease at the inception of the agreement. Leases, with an initial term over one year, are stated as right-of-use assets and leases payable in the combined statement of financial position. The Organization has elected to exclude leases with an initial term of one year or less from the requirements of the pronouncement.

The Organization applies judgment in determining whether a contract contains a lease and whether a lease is classified as an operating lease or a finance lease. The Organization defines the lease term as the non-cancellable term of the lease, which may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. The lease term is used in determining the classification between an operating lease and a finance lease, calculating the lease liability, the right-of-use asset, and assigning the incremental borrowing rate. Right-of-use assets represent the Organization's right to use an underlying asset for the lease term. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

The Organization is required to discount lease payments using the rate implicit in the lease if that rate is readily available. If that rate cannot be readily determined, the lessee is required to use its incremental borrowing rate. The Organization generally uses the incremental borrowing rate when initially recording real estate leases. Information from the lessor regarding the fair value of underlying assets and initial direct costs incurred by the lessor related to the leased assets is not available.

The Organization determines the incremental borrowing rate of each lease by estimating the credit rating of the Organization at the time the lease is recognized, referencing market yields corresponding to the credit rating and weighted average life of the lease, and factoring in other lease-specific factors such as assumed collateral.

16. 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.

GULF COAST TEACHING FAMILY SERVICES, INC.
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

17. New Accounting Pronouncements

The Financial Accounting Standards Board (FASB) has issued Accounting Standards Update (Update) No. 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The Update seeks to increase the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. The Organization has implemented the Update provisions for the year ending June 30, 2023. The Organization did not receive any volunteer service hours for the years ended June 30, 2023 and 2022.

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2016-02, Leases. The Update seeks to increase transparency and comparability among organizations by recognizing lease assets and liabilities on the balance sheet and disclosing essential information about leasing arrangements. The Organization has implemented the Update provisions for the year ending June 30, 2023 and retrospectively applied the provisions to the financial statements for the year ended June 30, 2022.

NOTE 3 – RESTRICTED CASH AND CERTIFICATES OF DEPOSIT AND LINE OF CREDIT

The Organization had restricted cash and certificates of deposit of \$607,689 and \$602,589 for the years ended June 30, 2023 and 2022, respectively.

Following the Unemployment Insurance Fund Plan requirements, the Organization maintained a restricted reserve balance of \$257,689 (\$2,628 in cash and \$255,061 in certificates of deposit) and \$252,589 (\$17,217 in cash and \$235,372 in certificates of deposit) for the years ended June 30, 2023 and 2022, respectively. The reserved funds are available for self-insured unemployment claims if such claims arise in the future.

The Organization also maintains a cash reserve of \$350,000 for the years ended June 30, 2023, and 2022 that secures a line of credit required by governmental funders for \$350,000. Interest on any funds used on the line of credit would be 2% above the prime lending rate. The line of credit was unused for the years ending June 30, 2023 and 2022.

GULF COAST TEACHING FAMILY SERVICES, INC.
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JUNE 30, 2023 AND 2022

NOTE 4 – CERTIFICATES OF DEPOSIT

The certificates of deposit balance on June 30, 2023 and 2022, held with various financial institutions, were \$6,564,429 and \$532,369 (\$255,061 and \$235,372 are restricted), respectively.

Certificates of deposits with maturities over one year are reported as other assets. Rates of return on investments held on June 30, 2023, ranged from .04% and 3.35%. Rates of return on the investments held on June 30, 2022, range between 1.75% and 3.15%.

NOTE 5 – INVESTMENT SECURITIES

There was no investment in marketable securities during the years ended June 30, 2023 and June 30, 2022.

Investment income (loss) for the years ended June 30, 2023 and 2022 were \$74,695 and (\$15,915), 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, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Department of Health and Human Services	\$ 216,952	\$ 162,336
Medicaid	551,151	470,912
U.S. Department of Juvenile Justice and Delinquency Prevention	43,491	20,456
State of Louisiana:		
Office of Mental Health	32,457	20,329
Office of Community Services	388,557	235,571
South Central LA Human Services	73,598	88,984
Private	1,276	-
Terrebonne Parish Government	29,724	- 33,572
Veterans Affairs	154,035	103,059
Other	16,276	201,845
Subtotal	<u>\$ 1,556,401</u>	<u>\$ 1,337,064</u>
Less: Allowance for Doubtful Accounts	<u>(80,000)</u>	<u>(40,000)</u>
Total, net	<u>\$ 1,476,401</u>	<u>\$ 1,297,064</u>

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 7 – SUBSEQUENT EVENTS

Subsequent events were evaluated through December 27, 2023, when the financial statements were available to be issued.

NOTE 8 – ACCRUED LIABILITIES

Accrued liabilities consist of the following on June 30, 2023 and 2022:

	2023	2022
Accrued salaries and payroll taxes	\$ 940,686	\$ 709,927
Compensated absences	499,808	313,975
Other	14,364	24,085
Total	\$ 1,454,858	\$ 1,047,987

NOTE 9. – PAYCHECK PROTECTION PROGRAM LOAN

The Organization received loan proceeds for \$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 loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expenses of the qualifying organization. The purpose of this loan was to maintain payroll and other operating expenses during the COVID-19 pandemic. The loan terms allow the amount to be forgiven if the funds were used for salaries and additional costs permitted under the agreement. The Organization completed an application to the SBA for complete forgiveness of the PPP loan, including any accrued interest. As anticipated, the SBA forgave the loan amount and all accrued interest.

The Organization adopted as its accounting policy for the PPP loan Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 470. The loan amount that was ultimately forgiven (i.e., the entity is legally released from being the loan's primary obligor according to ASC 405-20, Extinguishment of Debt), then income was recognized in the statement of activities for the year ended June 30, 2022, as gain on forgiveness of the Payroll Protection Program loan for \$2,134,700.

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 10 – MORTGAGE PAYABLE

The Organization financed its Houma administrative and program facility with a mortgage payable to the bank. The mortgage note requires annual interest payments of 3.5 percent per year. The monthly principal and interest payments are \$2,514 until the maturity date of January 19, 2036. Minimum future principal payments due under this mortgage note as of June 30, 2023, are as follows:

<u>Year Ending</u> <u>June 30th,</u>	<u>Annual</u> <u>Principal Payments</u>
2024	\$ 19,606
2025	20,341
2026	21,075
2027	21,835
2028	22,602
Thereafter	<u>200,362</u>
	\$ 305,821
Less: current maturities	<u>19,606</u>
Total	<u><u>\$ 286,215</u></u>

Interest expense was \$11,243 and \$11,908 for the years ended June 30, 2023 and 2022, respectively.

NOTE 11 – LEASES

The Organization leases facilities and equipment under financing and operating leases expiring through 2027.

The components of lease expense were as follows:

	<u>2023</u>	<u>2022</u>
Operating lease cost	<u>\$ 165,473</u>	<u>\$ 162,770</u>
Finance lease cost:		
Amortization of right-of-use assets	\$ 23,011	\$ 11,696
Interest on finance leases payable	<u>3,812</u>	<u>2,000</u>
	<u>\$ 26,823</u>	<u>13,696</u>
Total lease expense	<u><u>\$ 192,296</u></u>	<u><u>\$ 176,466</u></u>

GULF COAST TEACHING FAMILY SERVICES, INC.
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 11 – LEASES (Continued)

Minimum future rental payments due under these leases as of June 30, 2023 are as follows:

<u>Year Ending</u> <u>June 30th.</u>	<u>Minimum</u> <u>rental payments</u>
2024	\$ 53,103
2025	18,271
2026	14,362
2027	<u>9,324</u>
Subtotal	95,060
Less amounts representing interest	<u>(3,649)</u>
Total	<u>\$ 91,411</u>

The weighted average remaining lease term for financing and operating leases commencing on or before June 30, 2023 was forty-one (41) and sixteen (16) months, respectively. The weighted average discount rate for financing and operating leases commencing on or before June 30, 2023 was 4.32 and 5.32 percent, respectively.

NOTE 12 – UNEMPLOYMENT INSURANCE FUND

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

Actual payments to the State for Unemployment benefits totaled \$17,217 in 2023 and \$17,395 in 2022.

As of June 30, 2023, all known claims have been recorded in the financial statements.

NOTE 13 – EMPLOYEE RETENTION CREDIT

The Employee Retention Credit (ERC), a part of the Coronavirus Aid, Relief and Economic Security Act (CARES), was a refundable credit of employment taxes that was offered to organizations to incentivize the retention of employees during the period in which the virus was active in the community. The ERC was further expanded and extended in 2021. The Organization applied the provisions of ASC 450-30, in which the ERC was treated as a gain contingency and recognized as income when all uncertainties were resolved. Employee Retention Credits for \$5,496,362 were recognized as realized income for the year ended June 30, 2023.

GULF COAST TEACHING FAMILY SERVICES, INC.
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 14 – ECONOMIC DEPENDENCY

The Organization receives 99% of its revenue from funds provided through programs administered by the State of Louisiana. The program amounts are appropriated each year by the federal and state governments. Suppose significant budget cuts are affected at the federal and state levels. In that case, the Organization's funds could be reduced significantly and have an adverse impact on its operations. Management is unaware of any actions that will adversely affect the amount of funds the Organization will receive in the next fiscal year.

NOTE 15 – CONTINGENCIES

Programs administered by the Organization are subject to review and audit by the various funding agencies. Accordingly, the funding agencies may recover any disallowed payments from these audits in subsequent years.

NOTE 16 – PENSION PLAN

Effective January 1, 2005, the Organization established the GCTFS Matching Retirement Plan (the Plan). The Organization revised the 403(b)-retirement plan effective January 1, 2022, requiring an employer matching provision. The Organization provides a 2% matching contribution on up to 6% of an employee's salary. 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 has a calendar year-end and allows entrance into the Plan on two entry dates – January 1 and July 1. Employees can make a salary deferral election up to the IRS limits permitted. The Organization makes a matching contribution equal to the lesser of 25% of the participant's elective deferral or 6% of the participant's compensation. The Employer may make discretionary contributions equal to a uniform percentage or elective amount of the participant's deferral. No discretionary matching contributions were made for the years ending June 30, 2023 and 2022. The Organization made employer-matching contributions of \$27,302 and \$27,861 for the years ended June 30, 2023 and 2022, respectively.

NOTE 17 – LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization had the following financial assets available on June 30, 2023, and 2022, within one year of the statement of financial position date for general expenditures:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 1,696,934	\$ 3,460,869
Certificates of deposit	6,277,868	205,745
Accrued interest receivable	22,070	-
Program receivables	<u>1,476,401</u>	<u>1,297,064</u>
Total	<u>\$ 9,473,273</u>	<u>\$ 4,963,678</u>

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 17 – LIQUIDITY AND AVAILABILITY OF RESOURCES (Continued)

As noted above, the Organization has \$9,473,273 on June 30, 2023 and \$4,963,678 on June 30, 2022, of financial assets available to meet general expenditures' cash needs. None of the financial assets listed above are subject to a donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position. The Organization has the 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. Under these contracts, services are completed, and the vendor fee is billed after the service. Other governmental contracts are cost reimbursement arrangements where costs budgeted under the grant are expended, and a request for reimbursement is made at the end of the month of expenditure. Most program expenses will only be incurred if a contract or grant is obtained to provide the fee-for-service revenue for the costs 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 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, 2023.

NOTE 18 – HURRICANE IDA CASUALTY LOSS

On August 30, 2021, the Organization suffered losses in its administrative and program facility located in Houma, Louisiana, because of the effects of Hurricane Ida. The loss for the year ended June 30, 2022 was recorded in the statement of activities as a casualty loss from Hurricane Ida for \$16,031. The Organization received \$517,594 in insurance proceeds for the damages sustained in the Houma administrative building because of the hurricane.

NOTE 19 – SUPPLEMENTAL CASH FLOW INFORMATION

Cash paid for interest during the years ended June 30, 2023 and 2022 amounted to \$11,243 and \$11,908, respectively.

Non-cash financing activities for the year ended June 30, 2022, consisted of forgiveness under the SBA's Payroll Protection Loan Program for \$2,134,700 (see Note 9).

SUPPLEMENTARY INFORMATION

GULF COAST TEACHING FAMILY SERVICES, INC.
d/b/a GULF COAST SOCIAL SERVICES AND AFFILIATE
(A NONPROFIT ORGANIZATION)
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO THE CHIEF EXECUTIVE OFFICER
YEAR ENDED JUNE 30, 2023

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

Purpose:	Total
Salary	\$ 195,840
Benefits-medical insurance	3,219
Benefits-dental insurance	153
Benefits-vision	12
Benefits-Flexible Spending Plan	1,080
Benefits-403 (b) Retirement Plan	13,000
Deferred compensation contribution to the 403(b) Retirement Plan	25,000
Cell phone expense reimbursement	780
Total	\$ 214,084

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, 2023

	Foster Care						PCA	
	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	60-107 Out of State Foster Care	Subtotal Foster Care	20-101 PCA Baton Rouge Provider # 1912913	20-108 ROW- PCA Baton Rouge
Administrative and General	\$ 117,050	\$ 24,639	\$ 1,263	\$ 139,784	\$ 3,661	\$ 286,397	\$ 138,613	\$ 24,794
Plant operation and capital asset costs	-	-	-	-	-	-	22	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	3,233	-	-	4,715	771	8,719	119	10
Medical and nursing	-	-	-	-	-	-	767	66
Therapeutic and training	705,333	5,514	-	235,056	45,075	990,978	695,179	67,195
Recreational	1,762	-	-	226	-	1,988	-	-
Consultants	-	-	-	-	-	-	425	-
Subtotal programs	\$ 827,378	\$ 30,153	\$ 1,263	\$ 379,781	\$ 49,507	\$ 1,288,082	\$ 835,125	\$ 92,065
Subtotal administrative and general								
Administrative costs - allocated	324,904	10,390	444	136,072	17,737	489,547	327,946	36,154
Totals	\$ 1,152,282	\$ 40,543	\$ 1,707	\$ 515,853	\$ 67,244	\$ 1,777,629	\$ 1,163,071	\$ 128,219

GULF COAST TEACHING FAMILY SERVICES, INC.
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(A NONPROFIT ORGANIZATION)

SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND
YEAR ENDED JUNE 30, 2023

	Personal Care Attendants							
	20-119 PCS Baton Rouge Provider # 1173703	30-101 PCA Hammond Provider # 1690082	30-117 EPSTD Hammond Provider	30-118 EDA WAIVER Hammond Provider	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
Administrative and General	\$ 20,602	\$ 31,943	\$ -	\$ 4,718	\$ 13,721	\$ 124,967	\$ 5,113	\$ 42,615
Plant operation and capital asset costs	-	-	-	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	-	-	-	-	-	-	-	-
Medical and nursing	151	-	-	-	-	-	-	-
Therapeutic and training	45,607	301,513	-	58,701	105,276	460,316	9,030	112,506
Recreational	-	-	-	-	-	-	-	-
Consultants	-	748	-	-	-	1,410	106	873
Subtotal programs	\$ 66,360	\$ 334,204	\$ -	\$ 63,419	\$ 118,997	\$ 586,693	\$ 14,249	\$ 155,994
Subtotal administrative and general								
Administrative costs - allocated	26,059	125,498	-	23,814	44,685	202,160	4,910	53,752
Totals	\$ 92,419	\$ 459,702	\$ -	\$ 87,233	\$ 163,682	\$ 788,853	\$ 19,159	\$ 209,746

GULF COAST TEACHING FAMILY SERVICES, INC.
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(A NONPROFIT ORGANIZATION)

SCHEDULE 2- COMBINED STATEMENT OF EXPENSES BY PROGRAM AND FUND
YEAR ENDED JUNE 30, 2023

	Personal Care Attendants							
		40-119 PCS	40-412	50-101 PCA			51-101 PCA	
	40-117 EPSDT Houma	Houma Provider # 1173720	SCLHSA PCA Houma	Lafayette TIPS #1910384	50-108 ROW-PCA Lafayette	50-119 PCS Lafayette	Alexandria Provider # 1910384	51-119 PCS Lake Charles
Administrative and General	\$ 11,775	\$ 33,729	\$ 29,738	\$ 115,128	\$ 1,641	\$ 1,264	\$ 9,140	\$ 631
Plant operation and capital asset costs	-	-	-	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	-	-	104	-	-	-	37	-
Medical and nursing	-	-	-	1,336	-	-	77	-
Therapeutic and training	11,257	89,829	104,065	543,642	28,962	78	169,316	-
Recreational	-	-	-	-	-	-	-	-
Consultants	-	13	-	431	-	-	500	-
Subtotal programs	\$ 23,032	\$ 123,571	\$ 133,907	\$ 660,537	\$ 30,603	\$ 1,342	\$ 179,070	\$ 631
Subtotal administrative and general								
Administrative costs - allocated	7,936	42,579	46,141	232,164	10,756	471	86,243	304
Totals	<u>\$ 30,968</u>	<u>\$ 166,150</u>	<u>\$ 180,048</u>	<u>\$ 892,701</u>	<u>\$ 41,359</u>	<u>\$ 1,813</u>	<u>\$ 265,313</u>	<u>\$ 935</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, 2023

	Personal Care Attendants									
	52-101 PCA Lake Charles Provider # 1984205	52-102 Children's Choice Lake Charles	60-101 PCA New Orleans Provider # 1910686	60-102 Children's Choice Waiver New Orleans Provider # 2182277	60-108 ROW-PCA New Orleans	60-117 EPSDT New Orleans Provider # 1912913	60-118 EDA WAIVER New Orleans	60-119 PCS New Orleans Provider # 1173754		
Administrative and General	\$ 27,130	\$ -	\$ 87,610	\$ 4,511	\$ 5,763	\$ 3,846	\$ 380	\$ 5,657		
Plant operation and capital asset costs	-	-	-	-	-	-	-	-		
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-		
Personal client needs	-	-	31	-	-	-	-	-		
Medical and nursing	-	-	47	-	-	-	-	-		
Therapeutic and training	160,544	-	248,378	75,568	134,985	95,501	14,019	126,817		
Recreational	-	-	-	-	-	-	-	-		
Consultants	15	120	-	-	-	-	-	-		
Subtotal programs	\$ 187,689	\$ 120	\$ 336,066	\$ 80,079	\$ 140,748	\$ 99,347	\$ 14,399	\$ 132,474		
Subtotal administrative and general										
Administrative costs - allocated	99,095	64	120,409	28,691	50,429	35,595	5,159	47,463		
Totals	<u>\$ 286,784</u>	<u>\$ 184</u>	<u>\$ 456,475</u>	<u>\$ 108,770</u>	<u>\$ 191,177</u>	<u>\$ 134,942</u>	<u>\$ 19,558</u>	<u>\$ 179,937</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, 2023

	Personal Care Attendant	Supervised Independent Living				
		20-103 Supervised Living Title XIX Baton Rouge Provider # 1912913	30-103 SIL- Title XIX Hammond Provider # 1690082	40-103 SIL Title XIX Houma Provider # 1935166	50-103 SIL- Title XIX Lafayette Provider # 1910384	51-103 SIL- Title XIX Alexandria Provider # 1690538
Administrative and General	\$ 745,029	\$ 135,133	\$ 11,856	\$ 110,365	\$ 190,145	\$ 207,320
Plant operation and capital asset costs	22	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-
Personal client needs	301	1,323	-	11	-	2,469
Medical and nursing	2,444	490	-	-	1,377	1,103
Therapeutic and training	3,658,284	353,478	82,539	635,588	542,553	887,619
Recreational	-	82	-	5	7	66
Consultants	4,641	920	-	3,208	2,231	6,150.00
Subtotal programs	\$ 4,410,721	\$ 491,426	\$ 94,395	\$ 749,177	\$ 736,313	\$ 1,104,727
Subtotal administrative and general						
Administrative costs - allocated	1,658,477	192,978	35,447	258,148	258,796	532,058
Totals	\$ 6,069,198	\$ 684,404	\$ 129,842	\$ 1,007,325	\$ 995,109	\$ 1,636,785

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, 2023

	Supervised Independent Living				Respite				
	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	Short Term Respite Baton Rouge	30-426 Short Term Respite Northshore	40-426 Short Term Respite Houma	50-426 Short Term Respite Lafayette	51-426 Short Term Respite Alexandria
Administrative and General	\$ 44,154	\$ 44,164	\$ 5	\$ 743,142	\$ 180,783	\$ 61,248	\$ 54,778	\$ 98,283	\$ 109,206
Plant operation and capital asset costs	-	-	-	-	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	309	-	309	-	-	-	-	-
Personal client needs	(106)	160	-	3,857	91	-	-	159	-
Medical and nursing	-	-	-	2,970	-	-	-	-	-
Therapeutic and training	244,036	248,364	343	2,994,520	1,419	-	-	-	211
Recreational	-	45	-	205	6,116	157	2,562	2,377	93
Consultants	<u>1,196.00</u>	<u>-</u>	<u>-</u>	<u>13,705.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal programs	\$ 289,280	\$ 293,042	\$ 348	\$ 3,758,708	\$ 188,409	\$ 61,405	\$ 57,340	\$ 100,819	\$ 109,510
Subtotal administrative and general									
Administrative costs - allocated	<u>152,733</u>	<u>104,992</u>	<u>124</u>	<u>1,535,276</u>	<u>73,987</u>	<u>23,058</u>	<u>19,758</u>	<u>35,436</u>	<u>52,741</u>
Totals	<u>\$ 442,013</u>	<u>\$ 398,034</u>	<u>\$ 472</u>	<u>\$ 5,293,984</u>	<u>\$ 262,396</u>	<u>\$ 84,463</u>	<u>\$ 77,098</u>	<u>\$ 136,255</u>	<u>\$ 162,251</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, 2023

	Respite			Elderly Services				Other Programs	
	Short Term Respite Lake Charles	60-426 Short Term Respite New Orleans	Subtotal Respite	40-413 Houma Senior Center	40-414 Gibson Senior Center Houma	40-416 Gray Senior Center Houma	Subtotal Elderly Services	20-114 Private Contracts Baton Rouge	20-210 CAHSD-LCS BATON ROUGE
Administrative and General	\$ 129,990	\$ 125,931	\$ 760,219	\$ 80,132	\$ 3,303	\$ 4,290	\$ 87,725	\$ 4	\$ 101
Plant operation and capital asset costs	-	-	-	-	-	500	500	-	-
Dietary, laundry & linen, and housekeeping	-	-	-	51,325	-	-	51,325	-	-
Personal client needs	159	-	409	-	-	-	-	-	-
Medical and nursing	-	-	-	-	-	-	-	-	-
Therapeutic and training	757	-	2,387	-	-	-	-	170	2,700
Recreational	1,096	5,392	17,793	6,127	1,168	323	7,618	-	-
Consultants	-	-	-	-	-	-	-	-	-
Subtotal programs	\$ 132,002	\$ 131,323	\$ 780,808	\$ 137,584	\$ 4,471	\$ 5,113	\$ 147,168	\$ 174	\$ 2,801
Subtotal administrative and general									
Administrative costs - allocated	69,694	47,051	321,725	47,408	1,540	1,762	50,710	69	1,100
Totals	\$ 201,696	\$ 178,374	\$ 1,102,533	\$ 184,992	\$ 6,011	\$ 6,875	\$ 197,878	\$ 243	\$ 3,901

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, 2023

	Other Programs							
	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	30-312 Dept. of Veterans Affairs Northshore	40-106 OJJ/YS Trackers Houma	40-312 Dept. of Veterans Affairs Houma
Administrative and General	\$ 4,235	\$ -	\$ 163,532	\$ 7	\$ -	\$ 34,735	\$ 129,130	\$ 8,882
Plant operation and capital asset costs	-	-	8,921	-	-	-	-	-
Dietary, laundry & linen, and housekeeping	-	-	3,022	-	-	-	-	-
Personal client needs	-	-	1,258	-	-	-	-	-
Medical and nursing	22	-	845	-	-	-	-	-
Therapeutic and training	6,505	-	3,433	-	-	84,268	246	10,606
Recreational	-	-	1,816	-	-	-	-	-
Consultants	<u>175</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>466</u>
Subtotal programs	\$ 10,937	\$ -	\$ 182,827	\$ 7	\$ -	\$ 119,003	\$ 129,376	\$ 19,954
Subtotal administrative and general								
Administrative costs - allocated	<u>4,295</u>	<u>-</u>	<u>84,456</u>	<u>2</u>	<u>-</u>	<u>44,687</u>	<u>44,580</u>	<u>6,876</u>
Totals	<u>\$ 15,232</u>	<u>\$ -</u>	<u>\$ 267,283</u>	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ 163,690</u>	<u>\$ 173,956</u>	<u>\$ 26,830</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, 2023

	Other Programs							
	40-400 SCLHSA Mental Health Houma	40-402 SCLHSA Clinic Staffing II Houma	40-415 Le Cirque Mentoring Houma	40-418 SCLHSA Life Skills Houma	50-106 OJJ/YS Trackers Lafayette	50-229 Intensive Consumer Care Lafayette	50-312 Dept. of Veterans Affairs Lafayette	50-609 CART Lafayette
Administrative and General	\$ 545,421	\$ 108,397	\$ 155,745	\$ 57,382	\$ 97,108	\$ 122,959	\$ 9,677	\$ 103,847
Plant operation and capital asset costs	-	-	709	-	-	2,319	-	3,825
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-
Personal client needs	-	-	-	-	-	15,000	24	-
Medical and nursing	-	-	-	-	-	-	805	-
Therapeutic and training	-	-	88	-	9	487	64,985	-
Recreational	-	-	20,436	-	45	-	-	-
Consultants	-	-	-	-	-	-	1,793	-
Subtotal programs	\$ 545,421	\$ 108,397	\$ 176,978	\$ 57,382	\$ 97,162	\$ 140,765	\$ 77,284	\$ 107,672
Subtotal administrative and general								
Administrative costs - allocated	<u>187,939</u>	<u>37,352</u>	<u>60,982</u>	<u>19,772</u>	<u>34,150</u>	<u>49,476</u>	<u>27,164</u>	<u>37,844</u>
Totals	<u>\$ 733,360</u>	<u>\$ 145,749</u>	<u>\$ 237,960</u>	<u>\$ 77,154</u>	<u>\$ 131,312</u>	<u>\$ 190,241</u>	<u>\$ 104,448</u>	<u>\$ 145,516</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, 2023

	Other Programs					Total Programs	Admin. and General	
	50-612 ROW Host Home Res. Opt. Lafayette	51-312 Dept. of Veterans Affairs Alexandria	52-312 Dept. of Veterans Affairs Lake Charles	60-312 Dept. of Veterans Affairs New Orleans	60-601 MHSD (Match) Mentor New Orleans	Subtotal Other Programs	10-198 Admin. Central	
Administrative and General	\$ 39,032	\$ 14,521	\$ 7,739	\$ -	\$ -	\$1,602,454	\$4,224,966	\$ 2,161,845
Plant operation and capital asset costs	-	-	-	-	-	15,774	16,296	126,107
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	3,022	54,656	-
Personal client needs	206	-	-	-	-	16,488	29,774	-
Medical and nursing	-	201	-	-	-	1,873	7,287	-
Therapeutic and training	1,199	115,440	12,801	-	-	302,937	7,949,106	-
Recreational	-	51	-	-	-	22,348	49,952	-
Consultants	315	738	-	-	-	3,487	21,833	-
Subtotal programs	\$ 40,752	\$ 130,951	\$ 20,540	\$ -	\$ -	\$ 1,968,383	\$12,353,870	\$ 2,287,952
Subtotal administrative and general								
Administrative costs - allocated	14,323	63,068	10,844	-	-	728,979	4,784,714	(2,305,633)
Totals	\$ 55,075	\$ 194,019	\$ 31,384	\$ -	\$ -	\$ 2,697,362	\$ 17,138,584	\$ (17,681)

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, 2023

	Administrative								
	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	Subtotal General and Administrative	Totals-Program, Administrative and General Funds
Administrative and General	\$ 448,271	\$ 118,225	\$ 446,690	\$ 266,305	\$ 377,071	\$ 167,926	\$ 234,155	\$ 4,220,488	8,445,454
Plant operation and capital asset costs	131,033	32,789	55,046	72,318	33,862	33,913	38,548	523,616	539,912
Dietary, laundry & linen, and housekeeping	-	-	-	-	-	-	-	-	54,656
Personal client needs	-	-	-	233	-	234	-	467	30,241
Medical and nursing	-	-	-	234	22	1,147	-	1,403	8,690
Therapeutic and training	-	-	-	100	384	-	-	484	7,949,590
Recreational	-	-	-	-	-	26	120	146	50,098
Consultants	-	-	-	-	-	-	-	-	21,833
Subtotal programs	\$ 579,304	\$ 151,014	\$ 501,736	\$ 339,190	\$ 411,339	\$ 203,246	\$ 272,823	\$ 4,746,604	17,100,474
Subtotal administrative and general									
Administrative costs - allocated	(561,471)	(151,014)	(501,737)	(339,079)	(431,043)	(203,248)	(291,489)	(4,784,714)	-
Totals	\$ 17,833	\$ -	\$ (1)	\$ 111	\$ (19,704)	\$ (2)	\$ (18,666)	\$ (38,110)	\$ 17,100,474

SPECIAL REPORTS OF INDEPENDENT AUDITORS



**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 non-profit organizations) and its Affiliate, which comprise the combined statement of financial position as of June 30, 2023 and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated December 27, 2023.

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, we did not identify any internal control deficiencies that we considered material weaknesses during our audit. However, material weaknesses may exist that have not been identified.

Report on 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 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.



Metairie, Louisiana
December 27, 2023

**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, 2023**

Section I – Summary of Auditors’ Reports

1. The independent auditors’ 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 and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.
2. No significant deficiencies or material weaknesses in internal control were disclosed during the audit of the financial statements 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, 2023 and the Organization is exempt from the audit requirements of *Uniform Guidance*.
5. No management letter was issued for the year ending June 30, 2023.

Section II – Findings - Financial Statement Audit

**Internal Control Over Financial Reporting and Compliance And Other Matters
Material To The Basic Financial Statements**

Internal Control Over Financial Reporting

No internal control over financial reporting findings was reported during the audit for the year ending June 30, 2023.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the year ending June 30, 2023.

Section III - Findings and Questioned Costs – Major Federal Awards

This Organization did not expend Federal Awards over \$750,000. Therefore, federal compliance testing is not applicable for the year ending June 30, 2023.

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, 2023

**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 of the financial statements for June 30, 2022.

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, 2022.

Section II - Internal Control and Compliance Material to Federal Awards

There were no internal control and compliance findings during the audit regarding federal awards for the year ending June 30, 2022. Federal expenditures were not more than \$750,000.

Section III - Management Letter

A management letter was not issued in connection with the audit of the financial statements for the year ending June 30, 2022.

STATEWIDE AGREED-UPON PROCEDURES



INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING STATEWIDE AGREED-UPON PROCEDURES

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

We 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 July 1, 2022 through June 30, 2023. Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate's management is responsible for those C/C areas identified in the SAUPs.

Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate (a nonprofit "Organization") 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 July 1, 2022 through June 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:

1.) Written Policies and Procedures

A. Obtain and inspect the Organization's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the Organization's operations:

- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

Result: There were no exceptions noted.

- ii. **Purchasing**, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.

Result: There were no exceptions noted.

- iii. **Disbursements**, including processing, reviewing, and approving.

Result: There were no exceptions noted.

- iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
Result: There were no exceptions noted.
- v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
Result: There were no exceptions noted.
- vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
Result: There were no exceptions noted.
- vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
Result: There were no exceptions noted.
- viii. ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
Result: There were no exceptions noted.
- ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the Organization's ethics policy.
Result: The Organization is a nonprofit organization; therefore, the ethics agreed-upon procedure does not apply.
- x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
Result: The Organization is a nonprofit organization; therefore, the debt service agreed-upon procedure does not apply.
- xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Result: There were no exceptions noted.

- xii. ***Prevention of Sexual Harassment***, including Louisiana Revised Statute (R.S.) 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Result: The Organization does have a sexual harassment policy, but their policies are not defined under Louisiana Revised Statute (R.S.) 42:342-344, due to their nonprofit status. Therefore, the sexual harassment agree-upon procedures do not apply.

2.) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Results: There were no exceptions noted.

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the Organization's collections during the fiscal period.*

Results: There were no exceptions noted.

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Results: The Organization is a nonprofit organization; therefore, this agreed-upon procedure does not apply.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results: This is not applicable because the Organization did not have audit findings.

3.) Bank Reconciliations

- A. Obtain a listing of Organization bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the Organization's main operating account. Select the Organization's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one

month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Result: We obtained the required list with management's representation that the listing is complete.

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Result: There were no exceptions noted.

- ii. Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Result: There were no exceptions noted.

- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Result: There were no exceptions noted.

4.) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Result: We obtained the required list with management's representation that the listing is complete.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Result: We obtained the required list with management's representation that the listing is complete.

- i. Employees responsible for cash collections do not share cash drawers/registers.

Result: There were no exceptions noted.

- ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Result: There were no exceptions noted.

- iii. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Result: There were no exceptions noted.

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Result: There were no exceptions noted.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Result: There were no exceptions noted.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:

- i. Observe that receipts are sequentially pre-numbered.

Result: There were no exceptions noted.

- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Result: There were no exceptions noted.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.

Result: There were no exceptions noted.

- iv. Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

Result: There were no exceptions noted.

- v. Trace the actual deposit per the bank statement to the general ledger.

Result: There were no exceptions noted.

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

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Result: We obtained the required list with management's representation that the listing is complete.

- B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

Result: We obtained the required list with management's representation that the listing is complete.

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Result: There were no exceptions noted.

- ii. At least two employees are involved in processing and approving payments to vendors.

Result: There were no exceptions noted.

- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Result: There were no exceptions noted.

- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Result: There were no exceptions noted.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Result: There were no exceptions noted.

- C. For each location selected under #5A above, obtain the Organization's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the Organization.

Result: There were no exceptions noted.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Result: There were no exceptions noted.

- D. Using the entity's main operation account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Result: There were no exceptions noted.

6.) Credit Cards/Debit Cards/Fuel Cards/P-Cards

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

Result: We obtained the required list with management's representation that the listing is complete.

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

Result: There were no exceptions noted.

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

Result: There were no exceptions noted.

- C. Using the monthly statements or combined statements selected under #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Result: There were no exceptions noted.

7.) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Result: We obtained the required list with management's representation that the listing is complete.

- i. If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Result: There were no exceptions noted.

- ii. If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Result: There were no exceptions noted.

- iii. Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policies and procedures procedure #1A(vii).

Result: There were no exceptions noted.

- iv. Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Result: There were no exceptions noted.

8.) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

Result: We obtained the required list with management's representation that the listing is complete.

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Result: This is not applicable, as the Organization did not have any contracts under the Louisiana Public Bid Law requirements.

- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law.

Result: There were no exceptions noted.

- iii. If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

Result: There were no exceptions noted.

- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Result: There were no exceptions noted.

9.) Payroll and Personnel!

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Result: We obtained the required list with management's representation that the listing is complete.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:

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

Result: There were no exceptions noted.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.

Result: There were no exceptions noted.

- iii. Observe any leave accrued or taken during the pay period is reflected in the Organization's cumulative leave records.

Result: There were no exceptions noted.

- iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Result: There we no exceptions noted.

- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the Organization's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to Organization policy.

Result: We obtained the required list with management's representation that the listing is complete. There were no exceptions noted.

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Result: We obtained management's representation that employer and employee portions of third-party payroll related amounts have been paid, and any associated forms have been filed, by required deadlines. There were no exceptions noted.

10.) Ethics

- A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above obtain ethics documentation from management, and:
 - i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - ii. Observe whether the Organization maintains documentation which demonstrates each employee and official were notified of any changes to the Organization's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by Louisiana Revised Statute (R.S.) 42:1170.

Result: The Organization is a nonprofit organization; therefore, the ethics agreed-upon procedure does not apply.

11.) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Result: The Organization is a nonprofit organization; therefore, the debt service agreed-upon procedure does not apply.

12.) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the Organization reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the Organization is domiciled by Louisiana Revised Statute (R.S.) 24:523.

Result: The Organization represented that there were no misappropriations of public funds for the fiscal year. There were no exceptions noted.

- B. Observe the Organization has posted on its premises and website, the notice required by Louisiana Revised Statute (R.S.) 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Result: There were no exceptions noted.

13.) Information Technology Disaster Recovery/Business Continuity

A. Perform the following procedures:

- i. Obtain and inspect the Organization's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

Result: We performed the procedure and discussed the results with management.

- ii. Obtain and inspect the Organization's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

Result: We performed the procedure and discussed the results with management.

- iii. Obtain a listing of the Organization's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Result: We performed the procedure and discussed the results with management.

- #### B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected employees have been removed or disabled from the network.

Result: We performed the procedure and discussed the results with management.

14.) Prevention of Sexual Harassment

- #### A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Result: The Organization is a nonprofit organization; therefore, the prevention of sexual harassment agreed-upon procedure does not apply.

- #### B. Observe the Organization has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the Organization's premises if the Organization does not have a website).

Result: The Organization is a nonprofit organization; therefore, the prevention of sexual harassment agreed-upon procedure does not apply.

- #### C. Obtain the Organization's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of Louisiana Revised Statute (R.S.) 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

Result: The Organization is a nonprofit organization; therefore, the prevention of sexual harassment agreed-upon procedure does not apply.

We were engaged by Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were 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, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Gulf Coast Teaching Family Services, Inc. d/b/a Gulf Coast Social Services and Affiliate and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our 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 (R.S.) 24:513, this report is distributed by the LLA as a public document.

Bernard & Franks

December 27, 2023
Metairie, Louisiana

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

December 28, 2023 (Date Transmitted)

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

4141 Veterans Memorial Boulevard ~ Suite 313 (CPA Firm Address)

Metairie, LA 70002 (City, State Zip)

In connection with your audit of our financial statements as of Gulf Coast Teaching Family Services, Inc. and for July 1, 2022 – June 30, 2023 (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 December 27, 2023 (date completed/date of the representations).

PART I. Agency Profile

1. Name and address of the organization. Gulf Coast Teaching Family Services, Inc., 2400 Edenborn Ave., 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 attached Board List)

3. Period of time covered by this questionnaire. 7/1/2022 – 6/30/2023

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

5. Briefly describe the public services provided. We are a private non-profit organization that provides the resources necessary to improve the quality of life and maximize independence for people who need support through behavioral health, home and community-based services.

6. Expiration date of current elected/appointed officials' terms. Varies (See attached)

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 N/A

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 N/A

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

Yes No N/A

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 N/A

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

Yes No N/A

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

Yes No N/A

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

Yes No N/A

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

Yes No N/A

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 N/A

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 N/A

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

Yes No N/A

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 N/A

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 N/A

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 N/A

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 N/A

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 N/A

Part VI. Reporting

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

Yes No N/A

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 N/A

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 N/A

26. We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes No N/A

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>Haley J. Hyatt-Proudfoot</u>	Secretary	<u>12/28/23</u>	Date
<u>Willis Green</u>	Dir. of Finance	<u>12/28/23</u>	Date
	President	<u>12/28/23</u>	Date