
PELICAN CENTER FOR CHILDREN AND FAMILIES

FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

PELICAN CENTER FOR CHILDREN AND FAMILIES

FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Pelican Center for Children and Families

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Pelican Center for Children and Families (the Organization) (a nonprofit organization), which comprise the statements of financial position as of September 30, 2022 and 2021, 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 present fairly, in all material respects, the financial position of the Organization as of September 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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 the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities 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 the Organization'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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the 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 the Organization'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 the Organization's ability to continue as a going concern for a reasonable period of 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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer on page 13 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 March 30, 2023, on our consideration of the Organization’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization’s internal control over financial reporting and compliance.

Postlethwaite & Netterville

Metairie, Louisiana
March 30, 2023

PELICAN CENTER FOR CHILDREN AND FAMILIES
NEW ORLEANS, LOUISIANA
STATEMENTS OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Current assets:		
Cash	\$ 397,688	\$ 220,917
Grants receivable	<u>333,303</u>	<u>255,354</u>
Total current assets	<u>730,991</u>	<u>476,271</u>
Equipment, net	<u>2,493</u>	<u>1,556</u>
Total assets	<u><u>\$ 733,484</u></u>	<u><u>\$ 477,827</u></u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Accrued expenses	\$ 113,025	\$ 38,309
Accrued payroll	<u>33,370</u>	<u>26,839</u>
Total current liabilities	<u>146,395</u>	<u>65,148</u>
Total liabilities	<u>146,395</u>	<u>65,148</u>
Net assets:		
Without donor restrictions	457,364	412,679
With donor restrictions	<u>129,725</u>	<u>-</u>
Total net assets	<u>587,089</u>	<u>412,679</u>
Total liabilities and net assets	<u><u>\$ 733,484</u></u>	<u><u>\$ 477,827</u></u>

The accompanying notes are an integral part of these financial statements.

PELICAN CENTER FOR CHILDREN AND FAMILIES
NEW ORLEANS, LOUISIANA
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	2022			2021		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>REVENUES AND SUPPORT:</u>						
Grants	\$ 1,098,701	\$ 129,725	\$ 1,228,426	\$ 875,649	\$ -	\$875,649
Conference, net of related expenses of \$35,526 and \$32,600 for the years ended September 30, 2022 and 2021, respectively	28,505	-	28,505	47,608	-	47,608
Miscellaneous	212	-	212	48	-	48
Total revenues and other support	<u>1,127,418</u>	<u>129,725</u>	<u>1,257,143</u>	<u>923,305</u>	<u>-</u>	<u>923,305</u>
<u>EXPENSES:</u>						
Program services	928,877	-	928,877	671,029	-	671,029
Management and general	153,856	-	153,856	259,197	-	259,197
Total expenses	<u>1,082,733</u>	<u>-</u>	<u>1,082,733</u>	<u>930,226</u>	<u>-</u>	<u>930,226</u>
Change in net assets	44,685	129,725	174,410	(6,921)	-	(6,921)
<u>NET ASSETS, BEGINNING OF YEAR</u>	<u>412,679</u>	<u>-</u>	<u>412,679</u>	<u>419,600</u>	<u>-</u>	<u>419,600</u>
<u>NET ASSETS, END OF THE YEAR</u>	<u>\$ 457,364</u>	<u>\$ 129,725</u>	<u>\$ 587,089</u>	<u>\$ 412,679</u>	<u>\$ -</u>	<u>\$ 412,679</u>

The accompanying notes are an integral part of these financial statements.

PELICAN CENTER FOR CHILDREN AND FAMILIES
NEW ORLEANS, LOUISIANA
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	2022			2021		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Professional services	\$ 627,737	\$ 103,976	\$ 731,713	\$ 507,347	\$ 84,035	\$ 591,382
Operating expenses	20,955	3,471	24,426	18,360	3,041	21,401
Salaries and benefits	279,437	46,285	325,722	144,887	172,049	316,936
Supplies	748	124	872	435	72	507
Conference expenses	35,526	-	35,526	32,600	-	32,600
Total expenses by function	<u>964,403</u>	<u>153,856</u>	<u>1,118,259</u>	<u>703,629</u>	<u>259,197</u>	<u>962,826</u>
Less expenses included with revenues on the statements of activities						
Conference expenses	<u>(35,526)</u>	<u>-</u>	<u>(35,526)</u>	<u>(32,600)</u>	<u>-</u>	<u>(32,600)</u>
Total expenses included in the expense section on the statements of activities	<u>\$ 928,877</u>	<u>\$ 153,856</u>	<u>\$ 1,082,733</u>	<u>\$ 671,029</u>	<u>\$ 259,197</u>	<u>\$ 930,226</u>

The accompanying notes are an integral part of these financial statements.

PELICAN CENTER FOR CHILDREN AND FAMILIES
NEW ORLEANS, LOUISIANA
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$ 174,410	\$ (6,921)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	586	918
Changes in operating assets and liabilities:		
Change in grants receivable	(77,949)	(53,105)
Change in accrued expenses	74,716	(16,355)
Change in accrued payroll	6,531	26,839
Net cash provided by (used in) operating activities	<u>178,294</u>	<u>(48,624)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of fixed assets	<u>(1,523)</u>	<u>-</u>
Net cash used in investing activities	<u>(1,523)</u>	<u>-</u>
Net change in cash	176,771	(48,624)
Cash, beginning of year	<u>220,917</u>	<u>269,541</u>
Cash, end of year	<u>\$ 397,688</u>	<u>\$ 220,917</u>

The accompanying notes are an integral part of these financial statements.

PELICAN CENTER FOR CHILDREN AND FAMILIES

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Organization

The Pelican Center for Children and Families (the Organization) is a non-profit corporation incorporated on January 31, 2013 under the laws of the State of Louisiana. The Organization's mission is to encompass all Louisiana Court Improvement Program (CIP) activities and provide for formalized, interdisciplinary and collaborative work agreements with relevant child welfare stakeholders throughout the state, with a goal of improving global outcomes for children.

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Classification of Net Assets

Net assets and revenues are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

PELICAN CENTER FOR CHILDREN AND FAMILIES

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Cash

The Organization maintains cash in bank accounts which may at times exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC). The Organization has not experienced any losses and does not believe that significant credit risk exists as a result of this practice.

Grants Receivable

Grants receivable are stated at the amount management expects to collect from outstanding balances. Management provides for uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to grants receivable. At September 30, 2022 and 2021, there was no allowance for bad debt recorded.

Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$200 and expenditures for repairs and improvements that materially prolong the useful lives of assets capitalized. Equipment is recorded at historical cost or, if donated, at the approximate fair value at the date of donation. Depreciation of these assets is provided on the straight-line basis over their estimated useful lives of five years.

Expense Allocation

The costs of providing programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefitted. Professional services, operating expenses, and salaries and benefits are allocated based on time and effort.

Revenue and Revenue Recognition

Revenue is recognized when earned. Conference registration fees received in advance are deferred to the applicable period in which the related services are performed.

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions.

PELICAN CENTER FOR CHILDREN AND FAMILIES

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Contributed Goods and Services from Volunteers

Members of the Organization's board of directors and other volunteers have made significant contributions of their time to assist in the Organization's operations and related charitable programs. The value of this contributed time is not recognized in these financial statements as it does not meet the criteria for recognition under U.S. GAAP.

Recent Accounting Pronouncements Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02, *Leases*. This accounting standard requires lessees to recognize assets and liabilities related to lease arrangements longer than 12 months on the statement of financial position as well as additional disclosures. In July 2018, the FASB issued ASU 2018-11, *Leases* (Topic 842), *Targeted Improvements*, to simplify the lease standard's implementation. The amended guidance relieves businesses and other organizations of the requirement to present prior comparative years' results when they adopt the new lease standard. Instead of recasting prior year results using the new accounting when they adopt the guidance, companies can choose to recognize the cumulative effect of applying the new standard to leased assets and liabilities as an adjustment to the opening balance of retained earnings. On June 3, 2020, the FASB deferred the effective date of this standard for certain entities. This standard will be effective for the Organization's fiscal year ending September 30, 2023. The Organization is currently assessing the impact of this pronouncement on its financial statements.

2. Liquidity and Availability

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments. The Organization receives the majority of its revenue from various state and federal grant programs. The grant amounts are appropriated each year by the federal and state governments.

The Organization manages its available cash to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability;
- Maintaining liquid assets; and
- Maintaining sufficient reserves to provide reasonable assurance that long term commitments will continue to be met, ensuring the sustainability of the Organization.

The table below presents financial assets available for general expenditures within one year at September 30:

	<u>2022</u>	<u>2021</u>
Cash	\$ 397,688	\$ 220,917
Grants receivable	333,303	255,354
Financial assets available for general expenditures over the next 12 months	<u>\$ 730,991</u>	<u>\$ 476,271</u>

PELICAN CENTER FOR CHILDREN AND FAMILIES

NOTES TO FINANCIAL STATEMENTS

3. Equipment

Equipment as of September 30, consisted of the following:

	<u>2022</u>	<u>2021</u>
Equipment	\$ 8,324	\$ 7,592
Less: accumulated depreciation	<u>(5,831)</u>	<u>(6,036)</u>
	<u>\$ 2,493</u>	<u>\$ 1,556</u>

Depreciation expense for the years ended September 30, 2022 and 2021 totaled \$586 and \$918, respectively.

4. Net Assets With Donor Restriction

Net assets with donor restrictions are restricted for the following purposes at September 30:

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specified purpose:		
Expansion of My Community Cares project	<u>\$ 129,725</u>	<u>\$ -</u>

5. Significant Grants

For the years ended September 30, 2022 and 2021, \$938,111 and \$782,542, respectively, of the Organization's financial assistance was federal and state funds received by the Louisiana Supreme Court, passed through to the Organization, or received by the Louisiana Department of Children and Families, passed through Southeastern University to the Organization. Management believes that the Organization is in compliance with the provisions of these grants and that the findings of an audit, if any, would not have a material impact on the financial statements.

6. Contingencies

The Organization participates in state and federal grant programs, which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Organization has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable as of September 30, 2022 and 2021 might be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the Organization.

The Organization may become involved in certain claims and legal actions arising in the normal course of activities. In management's opinion, there are no significant contingent liabilities relating to these matters; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

PELICAN CENTER FOR CHILDREN AND FAMILIES

NOTES TO FINANCIAL STATEMENTS

7. Income Taxes

The Organization is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on related income pursuant to Section 501(a) of the Internal Revenue Code. Accordingly, no provision for income taxes on related income has been included in the financial statements.

The Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 740 provides detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statement. As of December 31, 2022, the Organization has determined that it does not have any uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Tax returns generally remain subject to examination by the taxing authorities for three years.

8. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 30, 2023, and determined there were no other events occurred that require additional disclosure. No events after this date have been evaluated for inclusion in the financial statements.

SUPPLEMENTARY INFORMATION

PELICAN CENTER FOR CHILDREN AND FAMILIES

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY
HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Agency Head Name: Mark Harris, Executive Director

Purpose	Amount
Salary	\$ 95,333
Federal tax	22,988
State tax	16,631
Social Security	3,890
Medicare	5,544
Unemployment	132
Reimbursement for supplies purchased	1,092
Conference travel (in state & out of state)	1,295

See accompanying independent auditors' report.

**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
Pelican Center for Children and Families

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 financial statements of Pelican Center for Children and Families (the Organization), which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 30, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing 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 Pelican Center for Children and Families' internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Postlethwaite & Netterville

Metairie, Louisiana
March 30, 2023

PELICAN CENTER FOR CHILDREN AND FAMILIES

REPORT ON STATEWIDE
AGREED-UPON PROCEDURES ON COMPLIANCE
AND CONTROL AREAS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

PELICAN CENTER FOR CHILDREN AND FAMILIES

REPORT ON STATEWIDE
AGREED-UPON PROCEDURES ON COMPLIANCE
AND CONTROL AREAS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
Pelican Center for Children and Families, and the
Louisiana Legislative Auditor:

We have performed the procedures enumerated in Schedule A on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period October 1, 2021 through September 30, 2022. Pelican Center for Children and Families (the Organization) management is responsible for those C/C areas identified in the SAUPs.

Pelican Center for Children and Families has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period October 1, 2021 through September 30, 2022. 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 we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by Pelican Center for Children and Families 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 Pelican Center for Children and Families 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 24:513, this report is distributed by the LLA as a public document.

Postlethwaite & Netterville

Metairie, Louisiana
March 30, 2023

**PELICAN CENTER FOR CHILDREN AND FAMILIES
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
SEPTEMBER 30, 2022**

SCHEDULE A

A - Written Policies and Procedures

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

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

No exception noted.

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

No exception noted.

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

No exception noted.

d) ***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).

No exception noted.

e) ***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.

No exception noted.

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

No exception noted.

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

The Organization does not have credit cards, debit cards, fuel cards, or P-cards, nor does the Organization have written policies and procedures for the use of such cards. Thus, this procedure was not performed.

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

No exception noted.

- i) **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 entity's ethics policy.

The Organization is a non-profit entity. Thus, this procedure is not applicable and was not performed.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The Organization did not have debt outstanding during the fiscal period, nor does the Organization have written policies and procedures for debt service. Thus, this procedure was not performed.

- k) **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.

No exception noted.

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

The Organization is a non-profit entity. Thus, this procedure is not applicable and was not performed.

B - Board or Finance Committee

2. 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:

- a) Observe whether 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.

No exception noted.

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- b) 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 entity's collections during the fiscal period.*

No exception noted.

- c) 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.

The Organization is a non-profit entity. Thus, this procedure is not applicable and was not performed.

C - Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity'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:

A listing of bank accounts was provided and included one bank account. Management identified the Organization's main operating account. No exceptions were noted as a result of performing this procedure. From the listing provided, we selected the single bank account and obtained the bank reconciliation for the month ending September 30, 2022. This resulted in one bank reconciliation obtained and subjected to the below procedures.

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

No exception noted.

- b) 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

No exception noted.

- c) 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.

No exception noted.

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D - Collections (excluding electronic funds transfers)

4. 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).

The Organization did not receive cash, checks, or money orders related to public funds during the fiscal period, and as a result this procedure was not performed.

5. 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:

The Organization did not receive cash, checks, or money orders related to public funds during the fiscal period, and as a result this procedure was not performed.

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

The Organization did not receive cash, checks, or money orders related to public funds during the fiscal period, and as a result this procedure was not performed.

- b) 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.

The Organization did not receive cash, checks, or money orders related to public funds during the fiscal period, and as a result this procedure was not performed.

- c) 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.

The Organization did not receive cash, checks, or money orders related to public funds during the fiscal period, and as a result this procedure was not performed.

- d) 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 verifies the reconciliation.

The Organization did not receive cash, checks, or money orders related to public funds during the fiscal period, and as a result this procedure was not performed.

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6. 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.

The Organization did not receive cash, checks, or money orders related to public funds during the fiscal period, and as a result this procedure was not performed.

7. 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). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

The Organization did not receive cash, checks, or money orders related to public funds during the fiscal period, and as a result this procedure was not performed.

- a) Observe that receipts are sequentially pre-numbered.

The Organization did not receive cash, checks, or money orders related to public funds during the fiscal period, and as a result this procedure was not performed.

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

The Organization did not receive cash, checks, or money orders related to public funds during the fiscal period, and as a result this procedure was not performed.

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

The Organization did not receive cash, checks, or money orders related to public funds during the fiscal period, and as a result this procedure was not performed.

- d) 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).

The Organization did not receive cash, checks, or money orders related to public funds during the fiscal period, and as a result this procedure was not performed.

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

The Organization did not receive cash, checks, or money orders related to public funds during the fiscal period, and as a result this procedure was not performed.

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E - Non-payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. 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).

The listing of locations that process payments for the fiscal period was provided. No exceptions were noted as a result of performing this procedure. From the listing provided, we selected the single location and performed the procedures below.

9. For each location selected under #8 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:

The listing of employees involved with non-payroll purchasing and payment functions for the single payment processing location selected in procedure #8 was provided. No exceptions were noted as a result of performing this procedure. Review of the Organization's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

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

No exception noted.

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

No exception noted.

- c) 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.

The employee responsible for processing payments is not prohibited from adding/modifying vendor files. There is not another employee responsible for periodically reviewing changes to vendor files.

- d) 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.

The employee/official responsible for signing checks does not mail the payment. The signed checks are given to an employee to mail who is also responsible for processing payments.

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10. For each location selected under #8 above, obtain the entity'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:

A listing of non-payroll disbursements for the payment processing location selected in procedure #8 was provided related to the reporting period. No exceptions were noted as a result of performing this procedure. From the listing provided, we haphazardly selected five disbursements and performed the procedures below.

- a) Observe whether the disbursement matched the related original itemized invoice, and that supporting documentation indicates deliverables included on the invoice were received by the entity.

No exception noted.

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

For each of the five disbursements tested, the employee responsible for processing payment also mails checks.

F - Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. 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.

The Organization does not have credit cards, bank debit cards, fuel cards, or P-cards. Thus, this procedure was not performed.

12. 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:

The Organization does not have credit cards, bank debit cards, fuel cards, or P-cards. Thus, this procedure was not performed.

- a) 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, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]

The Organization does not have credit cards, bank debit cards, fuel cards, or P-cards. Thus, this procedure was not performed.

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

The Organization does not have credit cards, bank debit cards, fuel cards, or P-cards. Thus, this procedure was not performed.

13. Using the monthly statements or combined statements selected under #12 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.

The Organization does not have credit cards, bank debit cards, fuel cards, or P-cards. Thus, this procedure was not performed.

G - Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. 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:

The listing of travel and travel-related expense reimbursements was provided for the fiscal period. No exceptions were noted as a result of performing this procedure. From the listing provided, we haphazardly selected five reimbursements and performed the procedures below.

- a) 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).

Of the reimbursements selected for testing, none were reimbursed using a per diem.

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

No exception noted.

- b) 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 policy (procedure #1h).

No exception noted.

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

No exception noted.

H - Contracts

15. 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:

An active vendor list for the fiscal period was provided. No exceptions were noted as a result of performing this procedure. From the listing provided, we haphazardly selected five contracts and performed the procedures below.

- a) 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.

Of the contracts selected for testing, none were subject to the Louisiana Public Bid Law.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

No exception noted.

- c) 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).

No exception noted.

- d) 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.

We haphazardly selected one payment for the each of the five contracts selected in procedure #15 and performed the specified procedures. No exception noted.

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I - Payroll and Personnel

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

A listing of employees/elected officials employed during the fiscal year was provided. No exceptions were noted as a result of performing this procedure. From the listing provided, we selected the three employees/officials and performed the specified procedures. No exception noted.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

We haphazardly selected one pay period during the fiscal period and performed the procedures below for the three employees/officials selected in procedure #16.

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

No exception noted.

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

No exception noted.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exception noted.

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

No exception noted.

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18. 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 entity'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 entity policy.

A listing of employees/officials receiving termination payments during the fiscal period was provided. No exceptions were noted as a result of performing this procedure. From the listing provided, we selected the single employee and performed the specified procedures. No exception noted.

19. 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.

No exception noted.

J - Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:

- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

The Organization is a non-profit entity. Thus, this procedure is not applicable and was not performed.

- b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

The Organization is a non-profit entity. Thus, this procedure is not applicable and was not performed.

K - Debt Service

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each bond/note issued.

The Organization did not have debt outstanding during the period. Thus, this procedure was not performed.

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22. 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).

The Organization did not have debt outstanding during the period. Thus, this procedure was not performed.

L - Fraud Notice

23. 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 entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management asserted that there were no misappropriations of public funds and assets during the fiscal period.

24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exception noted.

M - Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**

- a) Obtain and inspect the entity’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.

We performed the procedure and discussed the results with management.

- b) Obtain and inspect the entity’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.

We performed the procedure and discussed the results with management.

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- c) Obtain a listing of the entity'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.

We performed the procedure and discussed the results with management.

N - Sexual Harassment

- 26. Using the 5 randomly selected employees/officials from procedure #16 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.

The Organization is a non-profit entity. Thus, this procedure is not applicable and was not performed.

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

The Organization is a non-profit entity. Thus, this procedure is not applicable and was not performed.

- 28. Obtain the entity'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 R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;

The Organization is a non-profit entity. Thus, this procedure is not applicable and was not performed.

- b) Number of sexual harassment complaints received by the agency;

The Organization is a non-profit entity. Thus, this procedure is not applicable and was not performed.

- c) Number of complaints which resulted in a finding that sexual harassment occurred;

The Organization is a non-profit entity. Thus, this procedure is not applicable and was not performed.

- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

The Organization is a non-profit entity. Thus, this procedure is not applicable and was not performed.

- e) Amount of time it took to resolve each complaint.

The Organization is a non-profit entity. Thus, this procedure is not applicable and was not performed.

**PELICAN CENTER FOR CHILDREN AND FAMILIES
MANAGEMENT'S RESPONSE AND CORRECTIVE ACTION PLAN
SEPTEMBER 30, 2022**

SCHEDULE B

Pelican Center for Children and Families (the Organization) provided a response and corrective action plan for the exceptions noted in Schedule A as set forth below.

E - Non-payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

9c/10b The employee responsible for processing payments is not prohibited from adding/modifying vendor files. There is not another employee responsible for periodically reviewing changes to vendor files.

Due to the small size of the Pelican Center for Children and Families, the individual responsible for processing payments is also responsible for mailing checks. The Board Treasurer and Executive Director review the bank reconciliation monthly and the Board reviews the disbursements quarterly.

9d. The employee/official responsible for signing checks does not mail the payment. The signed checks are given to an employee to mail who is also responsible for processing payments.

Due to the small size of the Pelican Center for Children and Families, the individual responsible for processing payments is also responsible for mailing checks. The Board Treasurer and Executive Director review the bank reconciliation monthly and the Board reviews the disbursements quarterly.