



**Plaquemines Community C.A.R.E.
Centers Foundation, Inc.**

FINANCIAL STATEMENTS

December 31, 2023 and 2022



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Plaquemines Community C.A.R.E. Centers Foundation Inc.
Belle Chasse, Louisiana

Opinion

We have audited the accompanying financial statements of Plaquemines Community C.A.R.E. Centers Foundation, Inc. (the Organization) (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities 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 the Organization as of December 31, 2023 and 2022, and 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 audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's 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 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.

Report of 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 (as required by Louisiana Revised Statute 24:513(A)(3)) on page 20 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 June 27, 2024, 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 describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Metairie, Louisiana
June 27, 2024

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Statements of Financial Position

<i>As of December 31,</i>	2023	2022
Assets		
Current assets		
Cash	\$ 2,055,109	\$ 1,723,238
Grants and accounts receivable	99,927	479,354
Prepaid expenses	28,167	19,355
Total current assets	2,183,203	2,221,947
Non-current assets		
Operating lease right-of use assets, net	12,931	18,844
Property and equipment		
Land	75,000	75,000
Building	656,896	619,701
Computers and related equipment	4,243	4,243
Furniture and fixtures	6,800	6,800
Total property and equipment	742,939	705,744
Less: accumulated depreciation	(163,963)	(135,939)
Net property and equipment	578,976	569,805
Total non-current assets	591,907	588,649
Total assets	\$ 2,775,110	\$ 2,810,596
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	\$ 29,465	\$ 20,687
Accrued payroll liabilities	71,984	77,276
Current portion of operating lease liabilities	4,507	5,913
Total current liabilities	105,956	103,876
Long-term liabilities		
Operating lease liabilities, less current portion	8,425	12,931
Total long-term liabilities	8,425	12,931
Total liabilities	114,381	116,807
Net assets without donor restrictions	2,660,729	2,693,789
Total liabilities and net assets	\$ 2,775,110	\$ 2,810,596

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

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Statements of Activities

<i>For the Years Ended December 31,</i>	2023	2022
Revenue and Other Support Without Donor Restrictions		
Public support, grant revenue and other support		
Direct governmental grants and contracts	\$ 1,112,604	\$ 1,727,553
Contributions and donations	279,781	223,456
Program income	121,822	87,559
Fundraising	47,007	50,994
Other income	7,963	6,918
<hr/>		
Total revenue and other support without donor restrictions	1,569,177	2,096,480
Expenses		
<i>Program services</i>		
Counseling services	899,241	958,913
Advocacy	498,415	448,997
 <i>Supporting services</i>		
Management and general	196,492	190,314
Fundraising	8,089	11,791
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Total expenses	1,602,237	1,610,015
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Change in net assets	(33,060)	486,465
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Net assets - beginning of year	2,693,789	2,207,324
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Net assets - end of year	\$ 2,660,729	\$ 2,693,789
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The accompanying notes are an integral part of these financial statements.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Statements of Cash Flows

<i>For the Years Ended December 31,</i>	2023	2022
Operating Activities		
Change in net assets	\$ (33,060)	\$ 486,465
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities:		
Bad debts	8,556	5,469
Depreciation	28,024	22,601
Amortization of right-of-use assets	5,913	8,774
Changes in operating assets and liabilities		
Grants and accounts receivable	370,871	28,166
Prepaid expenses	(8,812)	(1,491)
Accounts payable and accrued expenses	8,778	(5,396)
Accrued payroll liabilities	(5,292)	(687)
Operating lease liabilities	(5,912)	(8,774)
Net cash provided by (used in) operating activities	369,066	535,127
Investing Activities		
Property and equipment additions	(37,195)	(155,242)
Net cash used in investing activities	(37,195)	(155,242)
Net change in cash	331,871	379,885
Cash - beginning of year	1,723,238	1,343,353
Cash - end of year	\$ 2,055,109	\$ 1,723,238
Schedule of Noncash Transactions		
Lease liabilities arising from obtaining right-of-use assets:		
Operating leases	\$ -	\$ 27,618

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

Plaquemines Community C.A.R.E. Centers Foundation, Inc.

Notes to Financial Statements

Note 1: DESCRIPTION OF THE ORGANIZATION

Plaquemines Community C.A.R.E. Centers Foundation, Inc. (the Organization) is recognized as a section 501(c)(3) charitable organization by the Internal Revenue Service. The Organization is organized solely and exclusively for charitable purposes including, but not limited to, the assistance of the residents of Plaquemines Parish. The Organization impacts lives through two primary service areas:

- The Organization counsels children and adults with emotional, mental health, and/or behavioral challenges and their families; parents, including those going through a divorce; victims of abuse (child abuse, sexual abuse, physical abuse, disabled persons abuse, elder abuse, and domestic violence); for adults and adolescents with substance abuse issues; perpetrators of domestic abuse; and residents in need of anger management assistance as deemed necessary by the Plaquemines Parish Judicial System.
- The Organization provides for the advocacy of residents of Plaquemines Parish. CASA (Court Appointed Special Advocates) provides adult volunteers who are trained to advocate for abused and neglected children from Plaquemines Parish who have been removed from their homes. Advocacy is provided to children who have been physically or sexually abused, along with their non-offending family members, through our Plaquemines Children's Advocacy Center. Advocacy is also provided by team members who assist residents with referrals to outside agencies, enrollment with insurance, Medicaid, SNAP applications, and disability, etc.

General and administrative activities include the functions necessary to provide support for the Organization's program activities. General and administrative activities include those that provide governance (Board of Directors), oversight, business management, financial record keeping, budgeting, legal services, human resource management, and similar activities that ensure an adequate working environment and an equitable employment program.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

Grants and Accounts Receivable

Grants and accounts receivable are stated at unpaid balances, less an allowance for credit losses. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of clients or grantors to meet their obligations.

Accounts receivable represent amounts owed to the Organization which are expected to be collected within twelve months and are presented in the statements of financial position net of the allowance for credit losses. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Allowance for Credit Losses

Management evaluates its receivables on an ongoing basis by analyzing patient relationships and previous payments histories. The allowance for credit losses is management's best estimate of the amount of expected credit losses in the existing accounts based on current market conditions. Historically, losses on uncollectible accounts have been within management's expectations. The allowance for credit losses is reviewed on a periodic basis to ensure there is sufficient reserve to cover any potential credit losses. When receivables are considered uncollectible, they are charged against the allowance for credit losses. Collections on accounts previously written off are included in the change in net assets as received. The allowance for credit losses was \$8,727 and \$5,081 at December 31, 2023 and 2022, respectively.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

All acquisitions of property and equipment in excess of \$5,000 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. These assets are recorded as net assets without donor restrictions unless the donor imposes a restriction. No restrictions have been placed on assets donated to the Organization.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Depreciation is provided over fifteen to thirty-nine years for building, five to seven years for computers and related equipment, and seven years for furniture and fixtures using the straight-line basis. Land is not depreciated.

Depreciation expense was \$28,024 and \$22,601 for the years ended December 31, 2023 and 2022, respectively.

Leases

The Organization leases copiers. The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities in the statements of financial position.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, the Organization uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Certain lease agreements included rental payments based on the amount of copies used for the Organization's copiers. Lease liabilities are not remeasured as a result of changes in the number of copies; instead changes in the number of copies are treated as variable lease payments and are excluded from the measurement of the right-of-use asset and lease liability. These payments are recognized in the period in which the related obligation was incurred. The variable lease cost recognized and disclosed for those leases in 2023 and 2022 was \$6,367 and \$8,767, respectively.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Compensated Absences

The Organization accrues compensated absences for vacation and sick leave. The policies are as follows:

Vacation Pay – Employees earn vacation based on the number of years of employment as shown in the below schedule. Employees are not eligible to use earned time for the first 90 days of employment. Once an employee reaches the maximum earning ceiling – that is the maximum number of days available to an employee – as shown in the below schedule, the employee stops earning vacation time until the employee’s accrued vacation balance falls below the applicable earning ceiling. Employees may not draw upon future earnings of days at any time.

- Day One through Year Two of Continuous Employment: Employees earn vacation time at a rate of one day per month up to a maximum earning ceiling of 12 days.
- Year Three through Year Seven of Continuous Employment: Employees earn at a rate of 1.5 days per month up to a maximum ceiling of 18 days.
- Years Eight and Beyond of Continuous Employment: Employees earn at a rate of two days per month up to a maximum earning ceiling of 24 days.

Anyone employed after the fifteenth day of any month will begin earning vacation on the first day of the following month. Any employee who separates after the fifteenth day of any month shall earn vacation leave for that month.

Accrued compensated absences payable as of December 31, 2023 and 2022 is \$37,138 and \$40,130, respectively, and is included in accrued payroll liabilities in the statements of financial position.

Sick Leave – Sick leave is available for benefit-eligible employees on the first day of the month following completion of 90 days active employment and will be pro-rated from the beginning of the first full month following the date of hire. Beginning January 1st of the calendar year following the benefit-eligible employee’s date of employment, a maximum of 96 hours of sick leave will be available for that calendar year. An additional 64 hours may be carried over from a previous year; however, at no time can an employee’s total balance exceed 160 hours. Sick leave is not a wage or vested benefit and no payment for unused time is due if an employee’s employment is voluntarily or involuntarily terminated during the year.

Net Assets

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets (Continued)

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

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

Revenue Recognition

Program Income

The Organization receives program service fees in exchange for services provided from individual patients and third party insurers (majority is with Medicaid). Program service fees are earned based upon providing counseling, substance abuse education, parent's education or counseling, or anger management education.

The Organization records the expected amount to be received at the time of billing based on the schedule of fees for the service it provides. Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected or actual charges. The Organization believes that this method provides a reasonable depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. The Organization measures the performance obligation from the beginning of treatment to the point when it is no longer required to provide services to that patient. These services are considered to be a single performance obligation. Revenue for performance obligations satisfied at a point in time is recognized when services are provided. Management believes this method provides a faithful depiction of the transfer of services over the term of performance obligations based on the inputs needed to satisfy the obligations.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Because its performance obligations relate to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC 606-10-60-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients no longer require services, which generally occurs within days or weeks of the end of the reporting period.

As provided for under the guidance, the Organization does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the expectation that the period between the time the service is provided to a patient or a third-party payor pays for that service will be one year or less.

Contributions and Donations

Contributions are recognized when cash, 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 or the donor has explicitly removed the conditions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

Grant and Contracts

A significant portion of the Organization's grants and contracts are from government agencies. The benefits received by the public as a result of the assets transferred are not equivalent to commensurate value received by the government agencies and are therefore not considered exchange transactions. Grants and contracts are analyzed for measurable performance-related barriers or other barriers. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as refundable advances.

Grant revenue from federal agencies is subject to independent audit under the Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, the Organization's management believes that costs ultimately disallowed, if any, would not materially affect the position of the Organization.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The cost of providing the Organization's programs and other activities is summarized on a functional basis in the statements of activities and the functional expense classification of expenses included in Note 5. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefitted. Management and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization. Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The Organization generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgements contain requests for contributions, joint costs have been allocated between fundraising and management and general expenses in accordance with standards for accounting for costs of activities that include fundraising.

Income Taxes

The Organization is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code (IRC) and R.S. 12:201 of Louisiana Revised Statutes, though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC).

The Organization utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of FASB ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of December 31, 2023 and 2022, the Organization has no uncertain tax positions that qualify for recognition or disclosure in financial statements.

Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available to be issued, June 27, 2024, and determined that no events occurred which required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which is often referred to as the CECL model, or current expected credit losses. Among other things, the amendments in this ASU require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions and other organizations will now use forward-looking information to better inform their credit loss estimates. Many of the loss estimation techniques applied today will still be permitted, although the inputs to those techniques will change to reflect the full amount of expected credit losses. In addition, the ASU amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration.

The Organization adopted ASU 2016-13 on January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in enhanced disclosures only.

Note 3: LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The Organization maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as the Organization's expenditures come due. The following reflects the Organization's financial assets as of the statement of financial position date.

<i>December 31,</i>	2023	2022
Total assets at year end	\$ 2,775,110	\$ 2,810,596
Less non-financial assets		
Prepaid expenses	(28,167)	(19,355)
Operating lease right-of-use assets, net	(12,931)	(18,844)
Property and equipment, net	(578,976)	(569,805)
Financial assets at year-end	2,155,036	2,202,592
Financial assets available to meet cash needs for general expenditures within one year	\$ 2,155,036	\$ 2,202,592

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Notes to Financial Statements

Note 4: GRANTS AND ACCOUNTS RECEIVABLE

Grants and accounts receivable at December 31, 2023 and 2022 consisted of the following:

	2023	2022
Grants	\$ 86,409	\$ 471,914
Contract assets: Medicaid/private insurance	22,245	12,521
Total grants and accounts receivable	108,654	484,435
Less allowance for credit losses	(8,727)	(5,081)
Grants and accounts receivable, net	\$ 99,927	\$ 479,354

Credit loss expense totaled \$8,556 and \$5,469 for 2023 and 2022, respectively, and is included in program expenses – counseling services in the statements of activities.

Note 5: FUNCTIONAL CLASSIFICATION OF EXPENSES

The table below presents expenses by both their nature and function for the year ended December 31, 2023:

	Program Services		Supporting Services		Totals
	Counseling	Advocacy	Management and General	Fundraising	
Salaries & Wages	\$ 542,643	\$ 375,453	\$ 144,664	\$ -	\$ 1,062,760
Payroll Taxes - SUTA Unemployment	1,631	1,087	348	-	3,066
Payroll Taxes - FICA & Medicare	39,489	27,929	10,507	-	77,925
Employee Benefits - Health/Dental	35,595	13,577	11,335	-	60,507
Employee Benefits - Life/AD&D	8,858	4,954	2,296	-	16,108
Employee Benefits - Other	12,556	9,959	4,477	-	26,992
Contract Services	43,984	9,293	3,376	-	56,653
Facilities and Equipment	74,717	19,680	7,149	-	101,546
Operations	112,759	29,699	10,789	8,089	161,336
Miscellaneous Expenses	-	-	310	-	310
Travel and Meetings	27,009	6,784	1,241	-	35,034
	\$ 899,241	\$ 498,415	\$ 196,492	\$ 8,089	\$ 1,602,237

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Notes to Financial Statements

Note 5: FUNCTIONAL CLASSIFICATION OF EXPENSES (CONTINUED)

The table below presents expenses by both their nature and function for the year ended December 31, 2022:

	Program Services		Supporting Services		Total
	Counseling	Advocacy	Management and General	Fundraising	
Salaries & Wages	\$ 582,166	\$ 328,255	\$ 139,592	\$ -	\$ 1,050,012
Payroll Taxes - SUTA Unemployment	1,858	1,071	366	-	3,295
Payroll Taxes - FICA & Medicare	41,434	24,702	10,069	-	76,205
Employee Benefits - Health/Dental	40,181	10,924	10,463	-	61,568
Employee Benefits - Life/AD&D	9,282	4,851	2,240	-	16,373
Employee Benefits - Other	13,956	9,072	4,335	-	27,363
Contract Services	43,597	8,317	2,812	-	54,726
Facilities and Equipment Operations	76,911	22,197	7,506	-	106,614
Miscellaneous Expenses	117,089	33,792	11,426	11,791	174,098
Travel and Meetings	27	-	281	-	308
	32,412	5,816	1,224	-	39,452
	<u>\$ 958,913</u>	<u>\$ 448,997</u>	<u>\$ 190,314</u>	<u>\$ 11,791</u>	<u>\$ 1,610,015</u>

Salaries and wages and related taxes and employee benefits are allocated according to each employee's responsibilities within the Organization. Facilities and equipment and operations are allocated according to the square footage occupied by each employee. Contract services, travel and meetings, and miscellaneous expenses are allocated according to which employee incurred the expense.

Note 6: LEASES

The Organization has operating leases for copy machines. The lease has a remaining lease term of about 3 years. The total lease expense attributed to the copy machines was \$6,124 and \$9,060 for the years ended December 31, 2023 and 2022, respectively.

The components of lease expense consist of the following

<i>For the years ended December 31,</i>	2023	2022
Operating lease cost	\$ 6,124	\$ 9,060

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Notes to Financial Statements

Note 6: LEASES (CONTINUED)

Weighted average remaining lease term and discount rates consist of the following:

<i>For the years ended December 31,</i>	2023	2022
Weighted average remaining lease term		
Operating leases	34 months	44 months
Weighted average discount rate		
Operating leases	1.37%	1.31%

Future minimum lease payments under non-cancellable leases as of December 31, 2023, were as follow:

<i>For the years ending December 31,</i>	Operating Leases
2024	4,656
2025	4,656
2026	3,880
2027	-
2028	-
Thereafter	-
Total future minimum lease payments	13,192
Less imputed interest	(260)
Present value of lease liabilities	12,932
Reported as of December 31, 2023	
Current portion of operating lease liabilities	\$ 4,507
Long-term lease liabilities	8,425
Total	\$ 12,932

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Notes to Financial Statements

Note 7: CONCENTRATIONS

Economic Dependency

For the years ended December 31, 2023 and 2022, respectively, the Organization received about 71% and 82% of its total revenue from federal, state, and local governments in the form of grants and cost reimbursement agreements. Grants and cost reimbursement agreements are approved each year by the respective government agencies. If significant budget cuts are made at the state and/or local level, the amount of funds the Organization receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of governmental funds the Organization will receive relating to fiscal year 2023.

Concentration of Credit Risk

At December 31, 2023 and 2022, the Organization maintained checking accounts at various financial institutions. The Federal Deposit Insurance Corporation (FDIC) ensures the accounts up to \$250,000 per institution. As of December 31, 2023 and 2022, the cash balance exceeded the FDIC insurance by \$1,568,328 and \$1,241,810, respectively.

Note 8: CONTINGENCIES—GRANT PROGRAMS

The Organization participates in a number of 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 at year end may 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.

Note 9: DEFINED CONTRIBUTION PLAN

The Organization sponsors a defined contribution plan (the Plan) covering all full-time employees who agree to participate in the Plan. The Organization will match up to 3% of an employee's salary into the Plan. Total expense for the years ended December 31, 2023 and 2022 was \$24,182 and \$25,385, respectively.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Notes to Financial Statements

Note 10: RELATED PARTY TRANSACTIONS

During the years ended December 31, 2023 and 2022, the Organization has related party revenue resulting from contributions from Board members totaling \$4,223 and \$1,770, respectively. The Organization incurred expenses totaling \$2,143 and \$2,747 for the years ended December 31, 2023 and 2022, respectively, which were paid to a related party. There were no receivables from related parties for the years ended December 31, 2023 and 2022. Also, there was \$- and \$150 in payables due to a Board member's relative for the years ended December 31, 2023 and 2022, respectively.

**Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Schedule of Compensation, Benefits and Other Payments to Agency Head**

Agency Head Name: Julie M. Olsen, Executive Director

Purpose:	Amount
Salary	\$ 83,677
Benefits-insurance - Lincoln Natl Life (EE Life, AD&D, STD Only)	1,837
Benefits-retirement	3,697
Deferred compensation (contributions made by the agency)	-
Car allowance	-
Vehicle provided by government	-
Cell phone	-
Dues - P.A.B.I.	-
Vehicle rental	-
Per diem	-
Mileage, Parking Reimbursement	873
Fundraising Travel Reimbursement (Celebrity Waiter)	84
Registration fees	-
Conference travel	-
Meals, Lodging & Ent. Reimbursement	54
Unvouchered expenses	-
Special meals	-
Other	-
Total:	\$ 90,223



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

To the Board of Directors of
Plaquemines Community C.A.R.E Centers Foundation, Inc.
Belle Chasse, 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 financial statements of Plaquemines Community C.A.R.E Centers Foundation, Inc. (a nonprofit Organization) (the Organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 27, 2024.

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) 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 the Organization’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’s internal control.

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

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

identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's 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.

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.

Carr, Riggs & Ingram, L.L.C.

Metairie, Louisiana

June 27, 2024

**Plaquemines Community C.A.R.E. Centers Foundation Inc.
Schedule of Findings and Responses**

SECTION 1: SUMMARY OF AUDITOR'S RESULTS

Financial Statements

- | | |
|--|------------|
| 1. Type of auditor's report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | None noted |
| b. Significant deficiencies identified? | None noted |
| c. Noncompliance material to the financial statements noted? | No |

SECTION II: FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III: SUMMARY OF PRIOR AUDIT FINDINGS

No matters were reported.

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
Plaquemines Community C.A.R.E. Centers Foundation Inc.
Belle Chasse, Louisiana

We have performed the procedures enumerated below, on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor (LLA)'s Statewide Agreed-Upon Procedures (SAUPs), for the fiscal period January 1, 2023 through December 31, 2023. Plaquemines Community C.A.R.E. Centers Foundation Inc. (PCCCF)'s management is responsible for those C/C areas identified in the SAUPs.

PCCCF 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 the LLA's SAUPs for the fiscal period January 1, 2023 through December 31, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect PCCCF's written policies and procedures and observe whether they address each of the following categories and subcategories if application to public funds and the entity's operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
Results: No exceptions were found as a result of applying the above procedure.
 - 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.

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

- 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).

Results: No exceptions were found as a result of applying the above procedure.

- 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 rates of pay or approval and maintenance of pay rate schedules.

Results: No exceptions were found as a result of applying the above procedure.

- 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.

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

- h) **Credit Cards (and debit cards, fuel cards, purchase 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).

Results: No exceptions were found as a result of applying the above procedure.

- 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.

Results: Not applicable for PCCCF because PCCCF is a non-profit entity.

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

Results: Not applicable for PCCCF because the PCCCF does not have any debt.

- 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.

Results: No exceptions were found as a result of applying the above procedure.

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

Results: Not applicable for PCCCF because PCCCF is a non-profit entity.

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 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: No exceptions were found as a result of applying the above procedure.

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, 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.*

Results: Not applicable for PCCCF because it does not report on the governmental accounting model.

- 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.

Results: Not applicable for PCCCF because PCCCF is a non-profit entity.

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

Results: No exceptions were found as a result of applying the procedure.

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) 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);

Results: No exceptions were found as a result of applying the above procedure.

- b) Bank reconciliations include evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

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).

Results: No exceptions were found as a result of applying the above procedure.

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:

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

Results: No exceptions were found as a result of applying the above procedure.

- 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.

Results: No exceptions were found as a result of applying the above procedure.

- 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.

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

- 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:

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

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

- d) Observe that 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).

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

Non-Payroll Disbursements (excluding card purchases, 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).

Results: No exceptions were found as a result of applying the above procedure.

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, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

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

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

- 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.

Results: No exceptions were found as a result of applying the above procedure.

- 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.

Results: No exceptions were found as a result of applying the above procedure.

- e) 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.

Results: No exceptions were found as a result of applying the above procedure.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

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

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, 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.*

Results: No exceptions were found as a result of applying the above procedure.

Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase 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.

Results: No exceptions were found as a result of applying the above procedure.

13. 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:

- 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 (or electronically approved), by someone other than the authorized card holder (those instances requiring such approval that may constrain the Lawrason Act municipality, should not be reported).

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

14. 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 (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that 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 observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Results: No exceptions were found as a result of applying the above procedure.

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

15. 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 and 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:

a) If reimbursed using a per diem, observe that 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).

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

c) Observe that 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 #1g.

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

Contracts

16. 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. *Alternatively, 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:

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

Results: Not applicable for PCCCF because there were no contracts which required 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).

Results: No exceptions were found as a result of applying the procedure.

- c) If the contract was amended (e.g. change order), observe that 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, the documented approval).

Results: No exceptions were found as a result of applying the procedure.

- 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 that the invoice and related payment agreed to the terms and conditions of the contract.

Results: No exceptions were found as a result of applying the procedure.

Payroll and Personnel

- 17. 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.

Results: No exceptions were found as a result of applying the above procedure.

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

- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

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

Results: No exceptions were found as a result of applying the above procedure.

- 19. 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's or official's cumulate leave records, agree the pay

rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

Results: No exceptions were found as a result of applying the above procedure.

20. 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.

Results: No exceptions were found as a result of applying the above procedure.

Fraud Notice

21. 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 as required by R.S. 24:523.

Results: No exceptions were found as a result of applying the above procedure.

22. 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.

Results: No exceptions were found as a result of applying the above procedure.

Information Technology Disaster Recovery/Business Continuity

23. 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 there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

Results: 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, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

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

- 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.

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

24. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Results: No exceptions were found as a result of applying the procedure.

25. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #19, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

1. Hired before June 9, 2020 – completed the training; and
2. Hired on or after June 9, 2020 – completed the training within 30 days of initial service or employment.

Results: Not applicable since PCCCF does not have public funding that involves IT assets.

We were engaged by PCCCF 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 PCCCF and to meet our 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.

Carr, Rigg & Ingram, L.L.C.

June 27, 2024