

WEESE PROVIDERS CORPORATION
Batchelor, Louisiana

FINANCIAL REPORT

SEPTEMBER 30, 2022

Roslyn J. Johnson, LLC
Certified Public Accountant

WEESE PROVIDERS CORPORATION
Batchelor, Louisiana

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WEESE PROVIDERS, CORPORATION
Batchelor, Louisiana

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Independent Auditor's Report

To the Board of Directors
Weese Providers Corporation
Batchelor, Louisiana

Opinion

I have audited the accompanying financial statements of **Weese Providers Corporation (the Organization)** (a nonprofit organization), which comprise the statement of financial position as of September 30, 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.

In my opinion, the financial statements present fairly, in all material respects, the financial position of **Weese Providers** as of September 30, 2022, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated March 20, 2023, on my consideration of **Weese Providers'** internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of **Weese Providers'** internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **Weese Providers'** internal control over financial reporting and compliance.

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

Roslyn J. Johnson, LLC

Roslyn J. Johnson, LLC
Baton Rouge, Louisiana
March 20, 2023

WEESE PROVIDERS, INC.

**Statement of Financial Position
September 30, 2022**

ASSETS

Current Assets

Cash - restricted (note 2)	\$ 22,105.65
Cash - unrestricted (note 2)	17,577.29
Total Cash	<u>39,682.94</u>
 Reimbursements receivable (note 3)	 <u>205,318.20</u>
 Total Current Assets	 <u><u>\$ 245,001.14</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 1,549.69
Accrued salaries and wages	11,131.46
Payroll taxes payable	4,138.29
Funds held on behalf of others (note 4)	297.00
Due to providers (note 5)	<u>173,314.20</u>
 Total Current Liabilities	 <u>190,430.64</u>

Net Assets

Without donor restrictions:	
Undesignated	53,265.43
With donor restrictions:	
Family Daycare Home Program	<u>1,305.07</u>
Total Net Assets	<u>54,570.50</u>

Total Liabilities and Net Assets	<u><u>\$ 245,001.14</u></u>
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The accompanying notes are an integral part of this statement.

WEESE PROVIDERS, INC.

Statement of Activities

For the Year Ended September 30, 2022

Support and Revenues	Without Donor Restrictions	With Donor Restrictions	Total
Federal Financial Assistance through the Louisiana Department of Education:			
Administrative reimbursement		\$ 190,794.00	\$ 190,794.00
Program reimbursement		990,069.77	990,069.77
EOCR reimbursement		202.92	202.92
Net assets released from restrictions	<u>\$1,181,066.69</u>	<u>(1,181,066.69)</u>	
 Total support and revenues	 1,181,066.69	 -	 1,181,066.69
 Expenses			
Program Services:			
Meals served providers	989,786.27		989,786.27
Meal overclaims	283.50		283.50
EOCR provider payments		13,968.06	13,968.06
Louisiana Department of Education		5,799.61	5,799.61
Supporting Services:			
Management and general	155,928.34		155,928.34
Operational services	21,512.22	781.00	22,293.22
Contractual services	9,000.00		9,000.00
Other services	1,570.50		1,570.50
Total expenses	<u>1,178,080.83</u>	<u>20,548.67</u>	<u>1,198,629.50</u>
 Change in Net Assets	 2,985.86	 (20,548.67)	 (17,562.81)
 Net Assets - Beginning of Year	 <u>50,279.57</u>	 <u>21,853.74</u>	 <u>72,133.31</u>
 Net Assets - End of Year	 <u>\$ 53,265.43</u>	 <u>\$ 1,305.07</u>	 <u>\$ 54,570.50</u>

The accompanying notes are an integral part of this statement.

WEESE PROVIDERS, INC.

**Statement of Functional Expenses
For the Year Ended September 30, 2022**

	Program Service Expenses	Supporting Service Expenses	Total
EXPENSES			
Personal services		\$ 139,658.51	\$ 139,658.51
Employee benefits		16,996.74	16,996.74
Travel		4,764.09	4,764.09
Copier maintenance		2,686.63	2,686.63
Supplies		6,700.40	6,700.40
Telephone		3,038.02	3,038.02
Accounting costs		3,000.00	3,000.00
Auditing costs		6,000.00	6,000.00
Miscellaneous		5,947.67	5,947.67
Louisiana Department of Education		5799.61	5799.61
EOCR provider payments		13,968.06	13,968.06
Meal overclaims	\$ 283.50	-	283.50
CACFP provider payments	989,786.27	-	989,786.27
Total expenses	<u>\$ 990,069.77</u>	<u>\$ 208,559.73</u>	<u>\$ 1,198,629.50</u>

The accompanying notes are an integral part of this statement.

WEESE PROVIDERS, INC.

Statement of Cash Flows

For the Year Ended September 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ (17,562.81)
Adjustments to reconcile change in net assets to cash provided by operating activities:	
(Increase) Decrease in Current Assets	
Accounts receivable	792.00
Reimbursements receivable	(110,467.85)
Increase (Decrease) in Current Liabilities	
Accounts payable	1,299.69
Accrued salaries and wages	1,641.06
Payroll taxes payable	(4,340.64)
Funds held on behalf of others	45.00
Due to providers	94,267.85
Net cash provided (used) by operating activities	<u>(34,325.70)</u>
Net decrease in cash	(34,325.70)
CASH AT BEGINNING OF YEAR	<u>74,008.64</u>
CASH AT END OF YEAR	<u><u>\$ 39,682.94</u></u>

The accompanying notes are an integral part of this statement

Weese Providers Corporation

Notes to the Financial Statements
For the Year Ended September 30, 2022

Note 1 – Summary of Significant Accounting Policies

A. Organization

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

B. Basis of Accounting and Financial Presentation

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

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board's (FASB) Accounting Standard Codification (ASC) 958, *Not-for-Profit Entities*. Under FASB ACS 958, **the Organization** reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions include those net assets whose use by **the Organization** is not restricted by donors, even though their use may be limited in other respects, such as by contract or board designation. Net assets with donor restrictions are those net assets received with donor-imposed restrictions limiting **the Organization's** use of the assets. **The Organization's** net assets with donor restrictions at September 30, 2022 consist of funds received from Louisiana Department of Education to fund the Child and Adult Care Food Program.

C. Net Assets Released from Restrictions

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

D. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results may differ from those estimates.

E. Reimbursements Receivable

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

F. Functional Expenses

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

G. Equipment and Furniture

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

H. Income Taxes

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

I. Statement of Cash Flows

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

J. Liquidity Management

As of September 30, 2022, **the Organization** has financial assets of \$39,682.94 in cash, with \$22,105.65 subject to donor restrictions and a remaining balance of \$17,577.29, which could be made readily available within one year of the statement of financial position date to meet general expenditures. As a part of its liquidity management, management has established a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

Note 2 - Cash

At September 30, 2022, **the Organization** has cash (book balance) totaling \$39,682.94, which is in a noninterest-bearing demand account. The deposits are stated at cost, which approximate market and are fully secured by federal deposit insurance.

Note 3 – Reimbursements Receivables

Reimbursements receivable represent reimbursements due from the Louisiana Department of Education for meals served during the month of September 2022.

Provider Reimbursement Receivable	\$173,314.20
Administrative Reimbursement Receivable	<u>32,004.00</u>
Total Reimbursements Receivable	<u><u>\$205,318.20</u></u>

Note 4 – Funds Held on Behalf of Others

The Organization acts as a custodian for the Fire Marshal funds. Funds held for fire inspections at September 20, 2022 amounted to \$297.00, and is reported as both an asset (restricted cash) and a liability (Funds held on behalf of others). Consequently, there is no effect on the organization’s net assets.

Note 5 – Due to Providers

Due to providers represents amounts owed to providers for the cost of meals served during the month of September 2022.

Note 6 – Concentration of Revenues

The Organization receives a large amount of its revenues from one major source, the Louisiana Department of Education. Revenue is based on the number of meals served by providers to children at the approved meal rates. Meal rates are determined on July 1 of each year by the Louisiana Department of Education. Meals served and approved meal rates are reported in the *Schedule of Meals Served and Program Reimbursements*. The revenue from this source represents 100.0% of the organizations total revenues during the year ended September 30, 2022.

Note 7 - Office Space

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

Note 8 – Emergency Operational Costs Reimbursements (EOCR)

The United States Department of Agriculture (USDA) established EOCR as a one-time program to reimburse Day Care Operators for losses during the early days of the COVID-19 National Public Health Emergency. This money was intended to help with the loss of Food Program funds in the early days of the Pandemic. The amount of funds receive was based on past claims. During the year ended September 30, 2022, **the Organization** received additional EOCR funds in the amount of \$202.92. Payments to

providers, based on EOCR criteria, paid during the year ended September 30, 2022, totaled \$13,968.06. A total of \$4,374.77, of the EOCR funds were returned to Louisiana Department of Education (LDOE).

NOTE 9 – LOUISIANA DEPARTMENT OF EDUCATION CARRYOVER

The Organization’s administrative funds for the prior year exceeded the allowed 10% carryover. As a result, \$1,424.84, of the funds were returned to the Louisiana Department of Education.

NOTE 10 – SIMPLIFIED EMPLOYEE PENSION PLAN (SEP)

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

Note 11– Board of Director

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

Note 12– Board Designation of Net Assets

At September 30, 2022, **the Organization’s** Board has not designated any portion of net assets for specific purposes.

Note 13– Subsequent Events

Management is required to evaluate events or transactions that may occur after the statement of financial position date for potential recognition or disclosure in the financial statements. Management performed such an evaluation through March 20, 2023, the date that the financial statements were available to issue, and noted no subsequent events or transactions that occurred after the statement of financial position date requiring recognition or disclosure.

SINGLE AUDIT REPORTS

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

To the Board of Directors
Weese Providers Corporation
Batchelor, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of United States, the financial statements of **Weese Providers Corporation (a nonprofit organization)** which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated March 20, 2023.

Report on Internal Control Over Financial Reporting

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

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, 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 **Weese Provider's** financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions

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

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose; however, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Legislative Auditor as a public document.

Roslyn J. Johnson, LLC

Roslyn J. Johnson, LLC
Baton Rouge, Louisiana
March 20, 2023

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

To the Board of Directors
Weese Providers Corporation
Batchelor, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Major Federal Program

I have audited **Weese Providers, Inc., (the Organization)** (a nonprofit organization) with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of **Weese Provider's** major federal program for the year ended September 30, 2022. **Weese Provider's** major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In my opinion, **Weese Providers, Inc.** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each on its major federal program for the year ended September 30, 2022.

Basis for Opinion on Major Federal Program

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

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of

laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to **Weese Provider's** federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

My consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during my audit I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

Purpose of This Report

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

Roslyn J. Johnson, LLC

Roslyn J. Johnson, LLC
Baton Rouge, Louisiana
March 20, 2023

WEESE PROVIDERS, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended September 30, 2022

Federal Grantor/ Pass-Through Grantor/ Program Name	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures September 30, 2022
U. S. Department of Agriculture: Pass-through program from: Louisiana Department of Education - Child and Adult Care Food Program (FDCHP)	10.558	N/A	<u>\$1,180,580.77</u>

Notes to Schedule of Expenditures of Federal Awards:

Note 1 - Summary of Significant Accounting Policies

A. Basis of Presentation

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

B. Accrued Reimbursement

Federal awards are on a cost reimbursement basis.

C. Federal Indirect Cost Rate

Weese Providers did not elect to use the 10% de minimis federal indirect cost rate for the year ended September 30, 2022.

D. Subrecipients

Weese providers did not provide federal funds to any subrecipients during the year ended September 30, 2022.

The accompanying notes are an integral part of this schedule

WEESE PROVIDERS, INC.
Schedule of Findings and Questioned Costs
Year Ended September 30, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statement Audit

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

Audit of Federal Awards

Internal control over major programs:

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

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

		Unmodified		
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	_____	Yes	_____ X _____	No

Identification of major programs:

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

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

Auditee qualified as a low-risk auditee?	_____ X _____	Yes	_____	No
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WEESE PROVIDERS, INC.
Schedule of Findings and Questioned Costs
Year Ended September 30, 2022

SECTION II - FINDINGS - FINANCIAL STATEMENT AUDIT

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

SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL

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

SECTION IV - MANAGEMENT LETTER

Not applicable

WEESE PROVIDERS, INC.
Schedule of Prior Year Findings and Questioned Costs
Year Ended September 30, 2022

No findings or questioned costs for the year ended September 30, 2021.

SUPPLEMENTARY INFORMATION SCHEDULES

Schedule 1

WEESE PROVIDERS, INC.

**Schedule of Claims
Year Ended September 30, 2022**

REIMBURSEMENTS ALLOWABLE

Administrative	\$ 190,794.00
Program	<u>989,786.27</u>
	<u><u>\$ 1,180,580.27</u></u>

REIMBURSEMENTS CLAIMED AND RECEIVED

Administrative	\$ 190,794.00
Program	<u>990,069.77</u>
Total	<u><u>\$ 1,180,863.77</u></u>

OVER (UNDER) CLAIM

Administrative	\$ 283.50
Program	<u>-</u>

TOTAL OVER (UNDER) CLAIMED

	<u><u>\$ 283.50</u></u>
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Schedule 2

**FAMILY DAY CARE HOME PROGRAM
ADMINISTERED BY
WEESE PROVIDERS, INC.**

**Schedule of Administrative Reimbursement Allowable
Year Ended September 30, 2022**

A. Actual administrative expenses	<u>\$ 188,338.88</u>
B. Administrative reimbursement (Home x Rates)	<u>\$ 190,794.00</u>
C. Approved administrative budget	<u>\$ 230,960.00</u>
E. Administrative reimbursement allowed	<u>\$ 190,794.00</u>
F. Administrative reimbursement received	<u>\$ 190,794.00</u>

WEESE PROVIDERS, INC.

**Schedule of Monetary Claims and Questioned Costs
Year Ended September 30, 2022**

ADMINISTRATIVE REIMBURSEMENT

Administrative overclaim

NONE

PROGRAM REIMBURSEMENT

Meal counts and attendance

\$ 283.50

Total Overclaim

\$ 283.50

Schedule 4

WEESE PROVIDERS, INC.

Schedule of Meals Served and
Program Reimbursement
Year Ended September 30, 2022

OCTOBER 1, 2021 TO JUNE 30, 2022	<u>BREAKFAST</u>	<u>LUNCH</u>	<u>SUPPLEMENT</u>	<u>SUPPER</u>	<u>TOTAL</u>
Number of meals claimed	12,234	92,412	126,699	133,947	365,292
Less: Meals refunded by sponsor	0	(30)	(60)	(60)	
Net meals allowed	12,234	92,382	126,639	133,887	365,142
Reimbursement rate	1.4000	2.6300	0.7800	2.6300	
Reimbursement based on rate	\$ 17,127.60	\$ 242,964.66	\$ 98,778.42	\$ 352,122.81	\$ 710,993.49
JULY 1, 2022 TO SEPTEMBER 30, 2022	<u>BREAKFAST</u>	<u>LUNCH</u>	<u>SUPPLEMENT</u>	<u>SUPPER</u>	<u>TOTAL</u>
Number of meals claimed	3,367	31,927	42,004	44,540	121,838
Less: Meals refunded by sponsor	0	0	0	0	
Net meals allowed	3,367	31,927	42,004	44,540	121,838
Reimbursement rate	1.6600	3.0400	0.9700	3.0400	
Reimbursement based on rate	\$ 5,589.22	\$ 97,058.08	\$ 40,743.88	\$ 135,401.60	\$ 278,792.78
TOTAL MEALS CLAIMED	15,601	124,339	168,703	178,487	487,130
TOTAL NET MEALS ALLOWED	15,601	124,309	168,643	178,427	486,980
PROGRAM REIMBURSEMENT CLAIMED	\$ 22,716.82	\$ 340,101.64	\$ 139,569.10	\$ 487,682.21	\$ 990,069.77
PROGRAM REIMBURSEMENT ALLOWED	\$ 22,716.82	\$ 340,022.74	\$ 139,522.30	\$ 487,524.41	\$ 989,786.27
MEALS OVERCLAIMED AND REFUNDED TO LDOE					<u>\$ 283.50</u>

WEESE PROVIDERS, INC.

Schedule of Compensation, Benefits, and Other Payments
to Executive Director
For The Year Ended September 30, 2022

MS. THI JUAN WELLS, EXECUTIVE DIRECTOR

PURPOSE	AMOUNT
Salary	\$ 50,387.82
Benefits - Retirement	3,124.04
Benefits-Medicare	<u>730.62</u>
TOTAL	<u><u>\$ 54,242.48</u></u>

STATE REPORTING SECTION

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

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

I have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period **October 1, 2021 through September 30, 2022**. Weese Providers, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

Weese Providers, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period **October 1, 2021 through September 30, 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 and associated findings are as follows:

Written Policies and Procedures

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

Budgeting

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

Purchasing

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

Disbursements

Comment: Written purchasing procedures need to address responsibilities for the initiating, approving, and payment of non-payroll disbursement transactions to ensure proper segregation of duties.

Management's Response: Current written policies and procedures for disbursements will be updated to include the assignment of responsibilities of each employee throughout the processing of non-payroll disbursement transactions and will ensure duties are properly segregated and there are no incompatible functions. *Check Request* form will be used to evidence the initiation and approval of transactions.

Receipts/Collections

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

Payroll/Personnel

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

Contracting

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

Credit Cards

Comment: Not Applicable

Travel and Expense Reimbursement

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

Ethics

Comment: Not Applicable

Debt Service

Comment: Not Applicable

Information Technology Disaster Recovery/Business Continuity

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

Sexual Harassment

Comment: Not Applicable

Board

Obtained and inspected the board minutes for the fiscal period and determined that the board met in accordance with the organization's bylaws during the fiscal period.

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

Bank Reconciliations

Selected one month of the fiscal period from the organization's operating and general fund accounts and determined bank reconciliations were not prepared timely, and there was no evidence that a member of management who does not handle cash, post ledgers, or issue checks had reviewed each bank reconciliation.

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

Collections

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

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

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

Selected a sample of eleven (16) transactions from the organization's non-payroll disbursement transaction population and determined supporting documentation, either an invoice or contract, matched the disbursement. However, documentation did not include evidence of proper segregation of duties.

Management's Response: Non-payroll disbursement policies and procedures will be updated to address documentation to evidence proper segregation of duties.

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

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

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

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

Contracts

Obtain from management a listing of all agreements/contracts for professional services, materials and supplies that were initiated during the fiscal period. Determined contracts were approved by the oversight agency of the CACFP program and determine payments were made in accordance with terms and conditions of contract.

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

Payroll and Personnel

For the three employees of the organization, I selected two pay periods during the fiscal year and verified that employees were paid the authorized rates as approved by the oversight agency. In addition, I examined attendance and leave records for the selected transactions and verified employees time and attendance had been approved by the supervisor.

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

Ethics

Comment: Not Applicable

Debt Service

Comment: Not Applicable

Fraud Notice

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

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

Information Technology Disaster Recovery/Business Continuity

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

Sexual Harassment

Comment: Not Applicable

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

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

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

Roslyn J. Johnson, LLC

Roslyn J. Johnson, LLC
Baton Rouge, Louisiana
March 20, 2023