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

FINANCIAL STATEMENTS

December 31, 2021 and 2020

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

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, 2021 and 2020, 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, 2021 and 2020, 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 audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 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 30, 2022 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 30, 2022

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

As of December 31,	**2021**	2020
Assets		
Current assets		
Cash	**$ 1,343,353**	$ 714,179
Grants and accounts receivable, net	**512,989**	937,047
Prepaid expenses	**17,864**	17,141
Total current assets	**1,874,206**	1,668,367
Property and equipment		
Land	**75,000**	75,000
Building	**464,459**	450,326
Computers and related equipment	**4,243**	6,463
Furniture and fixtures	**6,800**	6,800
Total property and equipment	**550,502**	538,589
Less: accumulated depreciation	**(113,338)**	(98,888)
Net property and equipment	**437,164**	439,701
Total assets	**$ 2,311,370**	$ 2,108,068
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	**$ 26,083**	$ 17,483
Accrued payroll liabilities	**77,963**	74,733
Total current liabilities	**104,046**	92,216
Net assets without donor restrictions	**2,207,324**	2,015,852
Total liabilities and net assets	**$ 2,311,370**	$ 2,108,068

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

For the Years Ended December 31,	**2021**	2020
Revenue and Other Support Without Donor Restrictions		
Public support, grant revenue and other support		
Direct governmental grants and contracts	**$ 1,323,939**	$ 1,403,268
Contributions and donations	**280,786**	232,113
Program income	**86,440**	128,179
Fundraising	**6,097**	35,540
PPP loan revenue	**-**	150,200
Other income	**33,899**	4,854
Total revenue and other support without donor restrictions	**1,731,161**	1,954,154
Expenses		
Program expenses		
Counseling services	**911,187**	835,942
Advocacy	**445,578**	440,966
Management and general	**182,924**	167,674
Fundraising	**-**	12,970
Total expenses	**1,539,689**	1,457,552
Change in net assets	**191,472**	496,602
Net assets - beginning of year	**2,015,852**	1,519,250
Net assets - end of year	**$ 2,207,324**	$ 2,015,852

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

For the Years Ended December 31,	2021	2020
Operating Activities		
Change in net assets	**$ 191,472**	$ 496,602
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities:		
Bad debts	**9,953**	31,967
Depreciation	**16,670**	14,571
Changes in operating assets and liabilities		
Grants and accounts receivable	**414,105**	(684,169)
Prepaid expenses	**(723)**	(2,447)
Accounts payable and accrued expenses	**8,600**	4,255
Accrued payroll liabilities	**3,230**	23,780
Deferred revenue	**-**	(9,649)
Net cash provided by (used in) operating activities	**643,307**	(125,090)
Investing Activites		
Property and equipment additions	**(14,133)**	(58,132)
Net cash used in investing activities	**(14,133)**	(58,132)
Net change in cash	**629,174**	(183,222)
Cash - beginning of year	**714,179**	897,401
Cash - end of year	**$ 1,343,353**	$ 714,179

The accompanying notes are an integral part of these 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).

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 doubtful accounts. 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.

Receivables are considered impaired if the principle payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Property and Equipment

Acquisitions of $5,000 or more are capitalized, stated at cost and reported net of depreciation. 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 using the straight-line basis. Land is not depreciated. Donations of property and equipment are recorded at estimated fair market value on 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. Costs incurred for repairs and maintenance are expensed as incurred.

Depreciation expense was $16,670 and $14,571 for the years ended December 31, 2021 and 2020, respectively.

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, 2021 and 2020 is $40,678 and $42,927, 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.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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.

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

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The Organization records contributions it receives as those with donor restrictions and those without donor restriction, depending on the existence and/or nature of any donor restrictions. The Organization receives contributions in the form of grants, contracts and as cash and noncash donations. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net asset with donor restrictions.

Grant and Contracts

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.

PPP Loan Revenue

On April 3, 2020, the Organization received a loan in the amount of $150,200 under the Paycheck Protection Program (PPP) pursuant to the CARES Act and administered by the U.S. Small Business Association (the SBA) (see Note 11).

The Organization is recognizing revenue from the PPP loan following the guidance under FASB ASC 958-605, government grant model. PPP loan funds are considered a conditional contribution and recorded as a refundable advance on the balance sheet until the barriers to entitlement are met. The Organization considers the barriers to entitlement to include the incurrence of qualifying expenses and maintaining specified levels of payroll and employment to be conditions to recognize the PPP loan as revenue. Revenue is recognized once conditions have been substantially met or explicitly waived.

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 6. 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, 2021 and 2020, 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 issues, June 30, 2022 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.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Adopted Financial Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606). This guidance specifies that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU and its amendments supersede the revenue recognition requirements in Topic 05, *Revenue Recognition*, and most industry specific guidance and requires expanded disclosures about revenue recognition to enable financial statement users to understand the nature, timing, amount and uncertainty of revenue and cash flows arising from contracts with customers. On June 3, 2020, FASB issued ASU 2020-05, effectively delaying required implementation of the new revenue recognition standard to annual periods beginning after December 31, 2019.

Effective January 1, 2020, the Organization adopted ASC 606, using the full retrospective method. The Organization performed an analysis of its revenue streams and transactions in accordance with ASC 606. In particular, for patient service fees, the Organization performed an analysis into the application of the portfolio approach as a practical expedient to group patient contracts with similar characteristics, such that revenue for a given portfolio would not be materially different than if it were evaluated on a contract-by-contract basis. The impact of adopting ASC 606 was not material to the Organization's net assets, net income, or total net assets.

Note 3: LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The Organization maintains its financial assets primarily in cash to provide liquidity to ensure funds are available as the Organization's expenditures come due. The Organization has $1,856,341 of financial assets available within one year of the balance sheet dated December 31, 2021 consisting of cash of $1,343,353 and accounts receivable $512,988. The Organization had $1,651,226 of financial assets available within one year of the balance sheet dated December 31, 2020 consisting of cash of $714,719 and accounts receivable of $937,047. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for the general expenditure within one year of the balance sheet date.

Note 4: GRANTS AND ACCOUNTS RECEIVABLE

Grants and accounts receivable at December 31, 2021 and 2020 consisted of the following:

	2021	2020
Grants	$ 508,897	$ 928,461
Medicaid/private insurance	9,618	28,720
Other receivable	64	-
Total grants and accounts receivable	**518,579**	957,181
Less allowance for doubtful accounts	(5,591)	(20,134)
Grants and accounts receivable, net	**$ 512,988**	$ 937,047

Bad debt expense totaled $9,953 and $31,967 for 2021 and 2020, respectively, and is included in program expenses – counseling in the statements of activities.

Note 5: THIRD PARTY REVENUES

A substantial share of contract revenues for services to clients is derived under a state third-party reimbursement program. These revenues are based, in part, on cost reimbursement principles and are not subject to adjustments by the respective third-party providers.

Note 6: FUNCTIONAL CLASSIFICATION OF EXPENSES

The table below presents expenses by both their nature and function for the year ended December 31, 2021:

	Counseling	Advocacy	Management and General	Fundraising	Totals
Salaries & Wages	$ 506,232	$ 300,964	$ 128,884	$ -	**$ 936,080**
Payroll Taxes - SUTA Unemployment	2,025	857	370	-	**3,252**
Payroll Taxes - FICA & Medicare	36,606	22,365	9,282	-	**68,253**
Employee Benefits - Health/Dental	32,358	12,071	10,646	-	**55,075**
Employee Benefits - Life/AD&D	8,611	4,455	2,177	-	**15,243**
Employee Benefits - Other	15,163	8,460	3,281	-	**26,904**
Contract Services	27,821	6,826	2,032	-	**36,679**
Facilities and Equipment	83,216	27,521	8,143	-	**118,880**
Operations	183,169	60,577	17,924	-	**261,670**
Miscellaneous Expenses	-	-	28	-	**28**
Travel and Meetings	15,986	1,482	157	-	**17,625**
	$ 911,187	**$ 445,578**	**$ 182,924**	**$ -**	**$ 1,539,689**

Note 6: FUNCTIONAL CLASSIFICATION OF EXPENSES (CONTINUED)

The table below presents expenses by both their nature and function for the year ended December 31, 2020:

	Counseling	Advocacy	Management and General	Fundraising	Total
Salaries & Wages	$ 514,408	$ 314,698	$ 97,073	$ -	$ 926,178
Payroll Taxes - SUTA Unemployment	1,943	1,219	362	-	3,524
Payroll Taxes - FICA & Medicare	36,684	23,015	6,845	-	66,544
Employee Benefits - Health/Dental	33,825	19,135	6,495	-	59,455
Employee Benefits - Life/AD&D	8,549	4,745	1,767	-	15,061
Employee Benefits - Other	15,243	7,694	2,292	-	25,229
Contract Services	34,033	7,936	2,305	-	44,274
Facilities and Equipment	57,387	18,979	5,615	-	81,981
Operations	123,811	40,946	44,082	12,970	221,810
Miscellaneous Expenses	-	-	269	-	269
Travel and Meetings	10,059	2,599	569	-	13,227
	$ 835,942	$ 440,966	$ 167,674	$ 12,970	$ 1,457,552

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 7: OPERATING LEASE COMMITMENTS

The Organization leases copy machines: one which had been leased month-to-month (expired in October 2021), one in which the lease expires March 31, 2023, and another which expires in October 2026. The total lease expense attributed to the copy machines was $12,274 and $9,051 for the years ended December 31, 2021 and 2020, respectively.

Future minimum lease payments are as follows:

For the year ended,	
2022	8,808
2023	5,505
2024	4,404
2025	4,404
2026	3,303
	$ 26,424

Note 8: CONCENTRATIONS

Economic Dependency

For the years ended December 31, 2021 and 2020, respectively, the Organization received 76% and 72% 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 2021.

Concentration of Credit Risk

At December 31, 2021 and 2020, 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, 2021 and 2020, the cash balance exceeded the FDIC insurance by $854,976 and $245,244, respectively. The Organization has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk.

Note 9: 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 10: RELATED PARTY TRANSACTIONS

During the years ended December 31, 2021 and 2020, the Organization has related party revenue resulting from contributions from Board members totaling $100 and $885, respectively. There were no receivables from or payables due to related parties for the years ended December 31, 2021 and 2020.

Note 11: PPP LOAN

On April 3, 2020, the Organization received a loan in the amount of $150,200 under the PPP pursuant to the CARES Act administered by the SBA. The PPP provides for forgivable loans to qualifying businesses. The loan and accrued interest are forgivable as long as the borrower uses the loan proceeds for eligible purposes, including payroll costs, rent and utilities. The Organization used the PPP for its payroll and benefits costs, consistent with the PPP. For the year ended December 2020, the Organization recognized revenue of $150,200. During August 2021, the Organization was notified by the SBA that the full amount of $150,200 was forgiven.

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	$	105,478
Benefits-insurance - Lincoln Natl Life (EE Life, AD&D, STD Only)		1,740
Benefits-retirement		3,097
Deferred compensation (contributions made by the agency)		-
Car allowance		-
Vehicle provided by government		-
Cell phone		-
Dues - P.A.B.I.		-
Vehicle rental		-
Per diem		6,000
Reimbursements (mileage)		28
Travel		-
Registration fees		-
Conference travel		-
Housing		-
Unvouchered expenses		-
Special meals		-
Other		-
Total:	**$**	**116,343**

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

To the Board of Directors 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, 2021, 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 __, 2022.

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 30, 2022

A. SUMMARY OF AUDITORS' RESULTS

1. Type of auditors' report	Unmodified
2. Internal control over financial reporting	
a. Material weakness identified	No
b. Significant deficiencies not considered to be material weaknesses	None Noted
c. Noncompliance material to the financial statements noted	No
3. Management letter	No

B. FINDINGS RELATED TO FINANCIAL STATEMENTS

No findings noted.

C. FINDINGS RELATED TO COMPLIANCE AND OTHER MATTERS

No findings noted.

A. FINDINGS RELATED TO FINANCIAL STATEMENTS

None noted.

B. FINDINGS RELATED TO COMPLIANCE AND OTHER MATTERS

None noted.

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INDEPENDENT ACCOUNTANTS' 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, which were agreed to by Plaquemines Community C.A.R.E. Centers Foundation Inc. (the Organization) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. The Organization's management is responsible for those C/C areas identified in the SAUPs.

The Organization has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the agreed-upon procedures engagement. 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 need 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 the Organization's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions:

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

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

h) ***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.

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

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

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

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

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

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

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

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: No exceptions were found as a result of applying the above 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/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

   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 <u>deposit sites</u> 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 <u>collection locations</u> 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 agency fund additions, 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/payments, travel reimbursements, and petty cash purchases)

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

   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, 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/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.

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 that the disbursement matched the related original itemized invoice and that 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 that 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.

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

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

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

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

a) Observe that 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) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.)]

   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.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe 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 note 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)

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

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 policy (procedure #1h).

   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

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

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 the Organization because there were no contracts which required public bid law.

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

Results: Not applicable for the Organization because there were no contracts which required public bid law.

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 was approval documented).

Results: Not applicable for the Organization because there were no contracts which required public bid law.

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: Not applicable for the Organization because there were no contracts which required public bid law.

Payroll and Personnel

16. 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.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 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). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

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

b) Observe that 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.

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

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

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

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

Ethics

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

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

    Results: Not applicable to the employees of the Organization under state law R.S. 42:1170 A.(3)(c).

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

   Results: Not applicable to the employees of the Organization under state law R.S. 42:1170 A.(3)(c).

Debt Service

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

    Results: Not applicable because the Organization did not have any bonds/notes and other debt instruments issued during the year.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

    Results: Not applicable because the Organization did not have any outstanding bonds/notes and debt instruments at the end of the fiscal period.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

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

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

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

Information Technology Disaster Recovery/Business Continuity

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

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

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

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

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

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

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

    Results: Not applicable to the employees of the Organization under state law R.S. 42:1170 A.(3)(c).

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

    Results: Not applicable to the employees of the Organization under state law R.S. 42:1170 A.(3)(c).

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344:

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

       Results: Not applicable to the employees of the Organization under state law R.S. 42:1170 A.(3)(c).

    b. Number of sexual harassment complaints received by the agency;

Results: Not applicable to the employees of the Organization under state law R.S. 42:1170 A.(3)(c).

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

Results: Not applicable to the employees of the Organization under state law R.S. 42:1170 A.(3)(c).

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

Results: Not applicable to the employees of the Organization under state law R.S. 42:1170 A.(3)(c).

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

Results: Not applicable to the employees of the Organization under state law R.S. 42:1170 A.(3)(c).

We were engaged by the Organization 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, 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 the Organization and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is 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, Riggs & Ingram, L.L.C.

Metairie, Louisiana
June 30, 2022