

**ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.**

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION WITH  
INDEPENDENT AUDITORS' REPORT

and

INDEPENDENT AUDITORS' REPORTS ON INTERNAL ACCOUNTING CONTROL  
AND COMPLIANCE AND OTHER MATTERS

For the Year Ended May 31, 2023

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
St. Martin, Iberia, Lafayette  
Community Action Agency, Inc.  
Lafayette, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of St. Martin, Iberia, Lafayette Community Action Agency, Inc. (a nonprofit organization) which comprise the statement of financial position as of May 31, 2023, and the related statement of activity and changes in net assets, of functional expenses, and cash flows for the year then ended and the related notes to these financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of St. Martin, Iberia, Lafayette Community Action Agency, Inc., as of May 31, 2023, and the activity and changes in its net assets, functional expenses, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

## Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Agency'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 Governmental 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 errors, 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 Governmental 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 Agency'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 Agency'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.

### Other Matters

#### Other 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 reimbursement to agency head, political subdivision head or chief executive officer, and the statements of activity by program, are presented for additional analysis and are not a required part of the basic financial statements of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. The accompanying schedule of expenditures of federal awards and related notes as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are also not a required part of the basic 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. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated in all material respects, in relation to the basic 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 November 17, 2023, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contract, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Agency's internal control over financial reporting and on compliance.



CERTIFIED PUBLIC ACCOUNTANTS

November 17, 2023  
Morgan City, Louisiana

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

STATEMENT OF FINANCIAL POSITION  
May 31, 2023

ASSETS

Current assets

Cash	\$ 680,679
Due from other	10,329
Grants receivable	775,429
Prepaid expenses	<u>37,891</u>

Total current assets 1,504,328

Noncurrent assets

Fixed assets - less accumulated depreciation	<u>200,862</u>
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Total noncurrent assets 200,862

Total assets \$ 1,705,190

LIABILITIES AND NET ASSETS

Current liabilities

Accounts payable and accrued expenses	\$ 628,478
Note payable-current	<u>6,548</u>

Total current liabilities 635,026

Long-term liabilities

Notes payable-less current portion	<u>45,488</u>
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Total liabilities 680,514

Net assets

Without donor restrictions	575,479
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With donor restrictions:

Home energy assistance program	\$ 173,029
Support services and community programs	<u>276,168</u>
	<u>449,197</u>

Total net assets 1,024,676

Total liabilities and net assets \$ 1,705,190

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

**ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.**

STATEMENT OF ACTIVITY AND CHANGES IN NET ASSETS  
For the Year Ended May 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support			
Grants		\$ 16,062,164	\$ 16,062,164
Contributions	\$ 104,761	54,234	158,995
Other revenue	263,173	70,968	334,141
Net assets released from restrictions:			
Satisfaction of program restrictions	<u>16,383,416</u>	<u>(16,383,416)</u>	<u>-</u>
Total support	<u>16,751,350</u>	<u>(196,050)</u>	<u>16,555,300</u>
Expenses and Losses			
Home energy assistance programs	8,458,726	-	8,458,726
Support services and community programs	1,336,707	-	1,336,707
Transportation programs	466,981	-	466,981
Rental assistance	6,016,646	-	6,016,646
Management and general	<u>536,218</u>	<u>-</u>	<u>536,218</u>
Total program expenses	<u>16,815,278</u>	<u>-</u>	<u>16,815,278</u>
Loss on disposition of capital assets	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses and losses	<u>16,815,278</u>	<u>-</u>	<u>16,815,278</u>
Increase (decrease) in net assets	(63,928)	(196,050)	-
Net assets beginning of year	<u>639,407</u>	<u>645,247</u>	<u>1,284,654</u>
Net assets end of year	<u>\$ 575,479</u>	<u>\$ 449,197</u>	<u>\$ 1,024,676</u>

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

**ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended May 31, 2023

<u>Expenses:</u>	<u>Home Energy Assistance Programs</u>	<u>Support Services and Community Programs</u>	<u>Transportation Programs</u>	<u>Rental Assistance</u>	<u>Management and General</u>	<u>Total</u>
Salaries and wages	\$ 627,234	\$ 470,644	\$ 191,713	\$ 564,819	\$ 77,804	\$ 1,932,214
Fringe benefits	55,445	63,573	16,946	47,559	6,927	190,450
Retirement plan	17,078	12,347	5,316	9,380	677	44,798
Contract services	53,918	91,525	31,925	71,509	34,926	283,803
Consumable supplies	166,153	30,234	1,819	16,762	29,863	244,831
Travel	-	25,464	-	-	115	25,579
Space cost	121,683	106,787	15,878	29,804	47,618	321,770
Repairs and maintenance	11,435	30,042	83,377	1,342	13,740	139,936
Benefits provided to community	7,374,457	437,575	67,496	5,275,471	130,123	13,285,122
Other	29,772	46,065	29,225	-	181,103	286,165
Depreciation	1,551	22,451	23,286	-	13,322	60,610
<b>Total unrestricted expenses</b>	<b><u>\$ 8,458,726</u></b>	<b><u>\$ 1,336,707</u></b>	<b><u>\$ 466,981</u></b>	<b><u>\$ 6,016,646</u></b>	<b><u>\$ 536,218</u></b>	<b><u>\$ 16,815,278</u></b>

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



ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

STATEMENT OF CASH FLOWS  
For the Year Ended May 31, 2023

Cash flows from operating activities:	
Received from grantors	\$ 16,134,702
Other revenues	493,138
Paid to employees	(1,932,214)
Paid to vendors	<u>(14,548,572)</u>
Net cash provided (used) by operating activities	<u>147,054</u>
Cash flows from investing activities:	
Purchases of fixed assets	<u>(53,006)</u>
Net cash provided (used) by investing activities	<u>(53,006)</u>
Cash flows from financing activities	
Borrowed from bank	53,006
Repayment of debt	<u>(970)</u>
Net cash provided (used) by financing activities	<u>52,036</u>
Net increase (decrease) in cash and cash equivalents	<u>146,084</u>
Cash and cash equivalents at beginning of year	<u>534,595</u>
Cash and cash equivalents at end of year	<u>\$ 680,679</u>

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

**ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
May 31, 2023**

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES**

A summary of the Agency's significant accounting policies applied in the preparation of the accompanying financial statements follows:

The St. Martin, Iberia, Lafayette Community Action Agency, Inc. (Agency) was created under the Economic Opportunity Act of 1964, as amended, to serve as the antipoverty agency, providing human services for the indigent and disadvantaged through research, planning, development, financing, implementation and evaluation of programs, either directly or through coordinating with other agencies, to attain social and economic independence for the benefit of all present and future generations of disadvantaged people in the Tri-Parish area. The Agency's Board of Directors is comprised of eighteen members, six each from St. Martin, Iberia, and Lafayette Parishes of Louisiana.

The following is a summary of the programs with significant activity and their primary funding source and functions applicable to the Agency during the year ended May 31, 2023:

<u>Program</u>	<u>Funding Source</u>	<u>Functions</u>	<u>Description of Operations</u>
General	Various	Management & General	General operations.
Home Energy Assistance (including CARES ACT & American Rescue Plan (ARP))	U.S. Dept. of Health and Human Services	Home Energy Assistance	To provide direct payments to home energy suppliers on behalf of eligible households, particularly the elderly and disabled.
CSBG (Community Services Block Grant) (including CARES ACT Funding)	U.S. Dept. of Health and Human Services	Community programs	Provides support services for community-based, anti-poverty programs and projects, such as emergency assistance, transportation, housing and weatherization.
Transportation	U.S. Dept. of Transportation and State of Louisiana Dept. of Transportation	Transportation	Provides transportation services (within and outside of respective parishes) for a nominal fee so that clients may attend hospital and medical appointments and social service appointments.
Other	Various	Community programs	Provides assistance to eligible individuals for food, shelter, youth development, computer training, Rent and medical assistance.
ERAP (Emergency Rental Assistance Program)	U.S. Dept of Treasury	Rental Assistance	To provide rental and utility assistance for low income households affected by COVID-19.

## NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

### Basis of Accounting

The accrual basis of accounting is used by the Agency.

### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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. Actual results could differ from those estimates.

### Support and Revenues

A significant portion of the Agency's support and revenue is in the form of grants and contributions from governmental agencies and other groups. Contributions are generally reported as support with donor restrictions, if they are received with donor stipulations. Significant grants are also accounted for as support with donor restrictions if the value received by the grant provider is only incidental to the public benefit provided by use of the grant funds. When the stipulations of the grantor or donor are met, then these assets are reclassified as unrestricted and reported in the statement of activity and changes in net assets as net assets released from restrictions. The Agency receives some grants which would normally be accounted for as support with donor restrictions. However, when the Agency meets grantor restrictions in the same year as the grant funds are received, these grants are reported as unrestricted.

### Expenses

Assets or expenses and their related liabilities are recorded when the related goods or services are received by the Agency.

## NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

### Fixed Assets

Property and equipment is capitalized at cost. All federal program assets costing \$5,000 or more are capitalized and all state program assets costing \$250 or more are capitalized. Property and equipment purchased with federal monies may revert back to the government or the sale of such property and equipment has to be approved and the proceeds from the sale are restricted. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Agency reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Depreciation of property and equipment is calculated on the straight-line basis over the estimated useful lives of assets as follows:

Computers	3 years
Furnitures, fixtures, and equipment	7-10 years
Automobiles	5 years
Buildings and improvements	15-20 years

### Compensated Absences

Compensation is paid to employees absent from work due to illness or vacation. An accrual is made for the amount of compensation the employees will receive in the future based upon services performed through May 31, 2023. The amount of compensated absences accrued at May 31, 2023 is approximately \$71,000.

### Net assets

In accordance with the FASB Accounting Standards Codification, the Agency must report net assets in each of the following two classes:

- a. net assets with donor restrictions - net assets in this category are restricted by grantor or donor imposed stipulations. Some donor restrictions are temporary in nature; these restrictions will either expire by passage of time or can be fulfilled and removed by actions of the organization.
- b. net assets without donor restrictions - net assets in this category are not restricted by grantor or donor imposed restrictions.

## NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

The Agency has net assets with donor restrictions and net assets without donor restrictions.

The net assets with donor restrictions result from grants or donations received with restrictions that expire when those grantor or donor imposed stipulations have been met. Once the stipulation related to the restriction has been met these net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

### Cash and cash equivalents

For purposes of the Statement of Cash Flows, the Agency considers all cash in non-interest bearing checking accounts and cash on hand to be cash and cash equivalent accounts.

### Income Tax Status

The Agency operates as a not-for-profit organization which has obtained a favorable tax determination letter from the IRS in May of 1969 stating the Agency is qualified, under Section 501 (c) (3) of the Internal Revenue Code. Once qualified, the Agency is required to operate in conformity with the code to maintain its qualification. Management believes the Agency is currently operated in compliance with the applicable requirements of the code. Therefore no provision for income tax has been included in the Agency's financial statements.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Agency and recognize a tax liability (or asset) if the Agency has taken an uncertain position that more likely than not would not be sustained upon examination by the applicable authorities. The Agency is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes the Agency is no longer subject to income tax examination for years ended May 31, 2020 and prior.

### Allocation of Functional Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include compensation and benefits, which are allocated on the basis of estimates and time and effort.

**NOTE 2- LIQUIDITY AND AVAILABILITY**

The Agency has \$1,504,328 of financial assets available within one year of the balance sheet date of which \$570,442 is without donor restrictions to meet cash needed for general expenditures and the remaining \$933,886 is with donor restrictions as described below:

Program/ <u>Restriction on Use</u>	<u>Cash</u>	<u>Grants Receivable</u>	<u>Prepaid Expense</u>	<u>Total</u>
Home Energy Assistance Housing and Utility Assistance Program	\$ 80,068	\$ 129,174	\$ 1,475	\$ 210,717
Home Energy Assistance - American Rescue Plan Housing and Utility Assistance Program	9	-	-	9
Low Income Household Water Assistance Program Housing and Utility Assistance Program	-	25,983	-	25,983
CSBG Support Services for Community Programs	228	102,876	5,012	108,116
Transportation Transportation Program	363	57,107	12,495	69,965
Emergency Rental Assistance Program Rental Assistance	870	450,981	-	451,851
Local Government Support (Matching) Management and General	13,549	-	164	13,713
Various other programs Support Services for Community Programs	<u>47,209</u>	<u>6,302</u>	<u>21</u>	<u>53,532</u>
<b>Total</b>	<b><u>\$ 142,296</u></b>	<b><u>\$ 772,423</u></b>	<b><u>\$ 19,167</u></b>	<b><u>\$ 933,886</u></b>

The Agency structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

### NOTE 3 - FIXED ASSETS

Property and equipment at May 31, 2023 consists of the following:

Furniture, fixtures, and equipment	\$279,448
Automobiles	241,139
Buildings and improvements	1,080,421
Land	<u>28,800</u>
Total	1,629,808
Less: Accumulated depreciation	<u>(1,428,946)</u>
Property and equipment, net	<u>\$ 200,862</u>

Depreciation and amortization for the year ended May 31, 2023 totaled approximately \$61,000.

Certain grant requirements restrict the use of certain fixed assets. A substantial portion of buildings and vehicles acquired with grant funds might revert to the grantor if those fixed assets would cease to be used in that program.

### NOTE 4 – NOTES PAYABLE

The Agency's note payable balance at May 31, 2023 is as follows:

Note payable to Ally, original amount \$53,006, due in monthly installments of \$970, which includes interest at a rate of 10.49 percent, maturing May of 2029	\$53,006
Current year payment	<u>(970)</u>
Total note payable	52,036
Less: current portion	<u>(6,548)</u>
Long Term	<u>\$45,488</u>

The aggregate future minimum payments for the notes payable is:

Year ended May 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 6,548	\$5,091	\$11,639
2025	7,269	4,370	11,639
2026	8,069	3,570	11,639
2027	8,957	2,681	11,638
2028-2029	<u>21,193</u>	<u>2,295</u>	<u>23,488</u>
Total	<u>\$52,036</u>	<u>\$18,007</u>	<u>\$70,043</u>

## NOTE 5- LEASES

### Operating Leases

At May 31, 2023, the Agency had significant operating leases in effect. The leases cover the buildings in various locations used to serve recipients of the Agency's services. Total rent expense related to these operating leases for the year ended May 31, 2023 totaled approximately \$95,000.

The aggregate future minimum lease payments for these leases is approximately:

Year ended May 31, 2024	\$95,000
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## NOTE 6 - EMPLOYEE BENEFIT PLAN

The Agency contributes to a defined contribution plan administered under a contract with Mutual of America. Mutual of America receives the plan contributions, maintains participants' individual accounts, offers the investment options and pays benefits to participants and their beneficiaries.

The plan covers all employees who have one year of service and are age eighteen or older. The Agency will contribute to the plan the amount determined by the Agency at its discretion. The Agency may choose not to contribute to the plan for a particular plan year. Participants can contribute any amount from 1% to 16% of their compensation each pay period provided that the participant does not contribute more than the maximum permitted by law. In the year ended May 31, 2023 the Board approved a contribution rate of 3%. The Agency contribution for the year ending May 31, 2023 was \$41,091.



#### NOTE 7 - CONCENTRATIONS

Ninety-eight percent of the Agency's funding is obtained from federal grants. The largest federal grant administered by the Agency is Emergency Rental Assistance Program (ERAP) and LIHEAP (including CARES funding) program which accounts for forty-eight and thirty-seven percent respectively of the Agency's total funding for the year ended May 31, 2023.

#### NOTE 8 - SUBSEQUENT EVENTS

The Agency's management evaluated whether any events and transactions occurred subsequent to May 31, 2023 through November 17, 2023, the date the Agency's financial statements are available to be issued, and determined that there were no material events or transactions that would require recognition or disclosure in the Agency's financial statements.

## SUPPLEMENTARY INFORMATION

**ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.**  
 Schedule of Compensation, Benefits, and Reimbursements to  
 Agency Head, Political Subdivision Head, or Chief Executive Officer  
 For the Year Ended May 31, 2023

Chief Executive Officer : Craig A. Mathews

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 158,131
Appraisal Incentive	10,000
Staff End of Year Incentive	300
Benefits-Retirement related	4,744
Per diem	2,125
Reimbursement	61
Travel - flights	1,649
Registration fees	2,032
Conference travel - hotel	5,253
Total	<u>\$ 184,295</u>

These amounts represent all compensation, benefits, and reimbursements for the year.

**ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.**  
**SCHEDULE OF ACTIVITY BY PROGRAM**  
For the Year Ended May 31, 2023

	001-002	005	007	008	010	011
	Payroll / Indirect Cost Pool	Lafayette Emergency Food & Shelter	Computer Technology	CSBG	Iberia Food & Medical	Transportation
Support:						
Public support - Donations					\$ 2,916	\$ 43,458
Grants from governmental agencies				\$ 1,069,059		303,252
Other revenue - Miscellaneous	\$ -	-	-	-	-	6,009
Total revenues, gains, and other support	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,069,059</u>	<u>2,916</u>	<u>352,719</u>
Expenses and losses:						
Direct costs -						
Salaries and wages				439,241		191,713
Fringe benefits				61,721		16,946
Retirement plan				11,832		5,316
Contract services				84,511		31,925
Consumable supplies				19,183		1,819
Travel	115			22,726		
Space costs				105,803		15,878
Repairs and maintenance				20,503		83,377
Benefits provided to community				301,761		67,496
Other				21,242	3,896	29,225
Depreciation				1,551		23,286
Total expenses and losses	<u>115</u>	<u>-</u>	<u>-</u>	<u>1,090,074</u>	<u>3,896</u>	<u>466,981</u>
Excess of support over (under) expenses	(115)	-	-	(21,015)	(980)	(114,262)
Other changes in net assets						
Transfer in / (out)				(92,750)	29	
Increase (decrease) in net assets	<u>(115)</u>	<u>-</u>	<u>-</u>	<u>(113,765)</u>	<u>(951)</u>	<u>(114,262)</u>
Net assets, beginning of year	<u>228,719</u>	<u>18,729</u>	<u>13,882</u>	<u>366,793</u>	<u>7,553</u>	<u>(3,716)</u>
Net assets, end of year	<u>\$ 228,604</u>	<u>\$ 18,729</u>	<u>\$ 13,882</u>	<u>\$ 253,028</u>	<u>\$ 6,602</u>	<u>\$ (117,978)</u>

**ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.**  
**SCHEDULE OF ACTIVITY BY PROGRAM**  
For the Year Ended May 31, 2023

	013	020	030	033	034	036	037	038	039	041
	<u>United Way</u>	<u>Medicaid Enrollment</u>	<u>General</u>	<u>Food Reimbursement</u>	<u>RSVP</u>	<u>LYFE</u>	<u>EITC</u>	<u>HUD</u>	<u>CHDO</u>	<u>Local Government Support</u>
Support:										
Public support - Donations			\$ 104,761		\$ 360					
Grants from governmental agencies					156,624		\$ 5,450		\$ -	\$ -
Other revenue - Miscellaneous	-	-	239,519	-	6,675	-	-	\$ 16,338	-	-
<b>Total revenues, gains, and other support</b>	<b>-</b>	<b>-</b>	<b>344,280</b>	<b>-</b>	<b>163,659</b>	<b>-</b>	<b>5,450</b>	<b>16,338</b>	<b>-</b>	<b>-</b>
Expenses and losses:										
Direct costs -										
Salaries and wages				(95)	77,899		1,911	11,648		
Fringe benefits					6,927		85	397		
Retirement plan					677		34	157		
Contract services			30,802		4,124					
Consumable supplies			13,112		16,530		3,395	2,595		2,946
Travel										
Space costs			46,891		727					984
Repairs and maintenance			13,740							914
Benefits provided to community			107,612		22,511		26			14,454
Other			126,647		29,864			8,712		360
Depreciation			13,322							20,900
<b>Total expenses and losses</b>	<b>-</b>	<b>-</b>	<b>352,126</b>	<b>(95)</b>	<b>159,259</b>	<b>-</b>	<b>5,451</b>	<b>23,509</b>	<b>-</b>	<b>40,558</b>
Excess of support over (under) expenses	-	-	(7,846)	95	4,400	-	(1)	(7,171)	-	(40,558)
Other changes in net assets										
Transfer in / (out)			(119)							5,068
<b>Increase (decrease) in net assets</b>	<b>-</b>	<b>-</b>	<b>(7,965)</b>	<b>95</b>	<b>4,400</b>	<b>-</b>	<b>(1)</b>	<b>(7,171)</b>	<b>-</b>	<b>(35,490)</b>
Net assets, beginning of year	2,781	2,390	512,044	41,924	(5,920)	1,875	14,435	10,502	(17,586)	(49,590)
<b>Net assets, end of year</b>	<b>\$ 2,781</b>	<b>\$ 2,390</b>	<b>\$ 504,079</b>	<b>\$ 42,019</b>	<b>\$ (1,520)</b>	<b>\$ 1,875</b>	<b>\$ 14,434</b>	<b>\$ 3,331</b>	<b>\$ (17,586)</b>	<b>\$ (85,080)</b>

**ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.**  
**SCHEDULE OF ACTIVITY BY PROGRAM**  
For the Year Ended May 31, 2023

	043	044	045	046	050	054	071	073	075	081
	Emergency Food & Shelter	ERAP 1	ERAP 2	Home Energy Assistance	Parish Emergency Assistance	Iberia Parish Special Trust	CARES Act Home Energy Assistance	ARP Home Energy Assistance	LIHWAP	CARES Act CSBG
Support:										
Public support - Donations										
Grants from governmental agencies	\$ -	\$ 1,788,571	\$ 4,215,131	\$ 6,478,527				\$ 1,536,653	\$ 386,969	\$ 121,425
Other revenue - Miscellaneous	-	1,650	-	41,296	-	-	-	-	-	-
Total revenues, gains, and other support	-	1,790,221	4,215,131	6,519,823	-	-	-	1,536,653	386,969	121,425
Expenses and losses:										
Direct costs -										
Salaries and wages		160,628	404,191	519,235				59,078	48,921	17,844
Fringe benefits		13,823	33,736	46,942				5,312	3,191	1,370
Retirement plan		2,586	6,794	14,147				1,923	1,008	324
Contract services		26,176	45,333	51,175				2,743		7,014
Consumable supplies		2,587	14,175	162,650				3,025	478	2,115
Travel										2,738
Space costs		12,167	17,637	103,549				18,134		
Repairs and maintenance			1,342	9,885				1,550		8,625
Benefits provided to community		1,538,711	3,736,760	5,603,252				1,426,917	344,288	121,334
Other	7,122			24,718	4,733			5,054		
Depreciation				1,551						
Total expenses and losses	7,122	1,758,678	4,259,968	6,537,104	4,733	-	-	1,523,735	397,886	161,364
Excess of support over (under) expenses	(7,122)	33,543	(44,837)	(17,281)	(4,733)	-	-	12,917	(10,917)	(39,939)
Other changes in net assets										87,772
Transfer in / (out)										
Increase (decrease) in net assets	(7,122)	33,543	(44,837)	(17,281)	(4,733)	-	-	12,917	(10,917)	47,833
Net assets, beginning of year	9,372	(13,264)	-	190,310	4,536	157	1,320	(11,393)	(3,394)	(47,833)
Net assets, end of year	\$ 2,250	\$ 20,279	\$ (44,837)	\$ 173,029	\$ (197)	\$ 157	\$ 1,320	\$ 1,524	\$ (14,311)	\$ -

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.  
SCHEDULE OF ACTIVITY BY PROGRAM  
For the Year Ended May 31, 2023

	098	099	Total
	<u>Sheiter Fund</u>	<u>Cookbook Fund</u>	<u>All Programs</u>
Support:			
Public support -			
Donations		\$ 7,500	\$ 158,995
Grants from governmental agencies			18,061,661
Other revenue -			
Miscellaneous	-	23,157	334,644
Total revenues, gains, and other support	<u>-</u>	<u>30,657</u>	<u>16,555,300</u>
Expenses and losses:			
Direct costs -			
Salaries and wages			1,932,214
Fringe benefits			190,450
Retirement plan			44,798
Contract services			283,803
Consumable supplies		221	244,831
Travel			25,579
Space costs			321,770
Repairs and maintenance			139,936
Benefits provided to community			13,285,122
Other		24,592	286,165
Depreciation			60,610
Total expenses and losses	<u>-</u>	<u>24,813</u>	<u>16,815,278</u>
Excess of support over (under) expenses	-	5,844	(259,978)
Other changes in net assets			
Transfer in / (out)			-
Increase (decrease) in net assets	<u>-</u>	<u>5,844</u>	<u>(259,978)</u>
Net assets, beginning of year	1,743	8,285	1,284,654
Net assets, end of year	<u>\$ 1,743</u>	<u>\$ 14,129</u>	<u>\$ 1,024,676</u>

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended May 31, 2023

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	FEDERAL ASSISTANCE LISTING NUMBER	PASS-THROUGH IDENTIFYING NUMBER	EXPENDITURES INCURRED
<u>U.S. Department of Housing and Urban Development (HUD)</u>			
Passed Through Louisiana Housing Corporation (LHC) Housing Counseling Assistance Program	14.169		\$ 23,509
Total Department of Housing and Urban Development			<u>23,509</u>
<u>Department of Transportation</u>			
Passed through Louisiana Department of Transportation and Development & Passed through Iberia Parish Government Formula Grants for Rural Areas and Tribal Transit Program	20.509	RU 18-99-23	<u>303,252</u>
<u>Department of the Treasury</u>			
Passed through Lafayette City - Parish Consolidated Government Emergency Rental Assistance Program (ERAP)	21.023		<u>6,016,646</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through Louisiana Housing Corporation (LHC) Low-Income Household Water Assistance Program	93.499		397,886
Low-Income Home Energy Assistance	93.568		6,535,333
Low-Income Home Energy Assistance - ARP	93.568		1,523,736
Passed through Louisiana Workforce Commission - Community Service Block Grant	93.569	2000539960	1,088,523
Community Service Block Grant - CARES ACT	93.569	2001LACSC3	<u>161,364</u>
Total Department of Health and Human Services			<u>9,706,842</u>
<u>The Corporation for National Service</u>			
Direct Program: Retired and Senior Volunteer Program	94.002	21SRGLA001 21SRGLA002 21SRGLA003	<u>159,259</u>
<u>FEMA</u>			
Passed through United Way Emergency Food and Shelter Program	97.024	369000-007	4,733
Emergency Food and Shelter Program (ARP)	97.024	369000-007	<u>7,122</u>
Total FEMA			<u>11,855</u>
Total expenditures of federal awards			<u>\$ 16,221,363</u>

The accompanying notes are an integral part of this schedule.



**ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended May 31, 2023**

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of St. Martin, Iberia, Lafayette Community Action Agency, Inc. (Agency) under programs of the federal government for the year ended May 31, 2023. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of operations of the Agency, it is not intended to and does not present the financial position, changes in net assets, functional expenses or cash flows of the Agency.

**NOTE 2 - REPORTING METHOD**

Except for Formula Grants for Rural Areas, Low-Income Housing Assistance, and Community Service Block Grant, all revenues and expenditures on this schedule are reported on the basis of generally accepted accounting principles. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursements. The Agency did not use the 10% de minimis cost rate for year ending May 31, 2023.

**NOTE 3 – FORMULA GRANTS FOR RURAL AREAS**  
(Assistance Listing #20.590)

Reconciliation of expenses incurred on the financial statements to expenditures incurred on the Schedule for the Formula Grants for Rural Areas is as follows:

Total unrestricted expenses per Statement of Activity by Program	\$443,695
Less: Depreciation expense	(23,286)
Local Funding	<u>(117,157)</u>
Total expenses incurred per Schedule of Expenditures of Federal Awards	<u>\$303,252</u>

**NOTE 4 – LOW-INCOME HOUSING ENERGY ASSISTANCE**  
**(Assistance Listing #93.568)**

Reconciliation of expenses incurred on the financial statements to expenditures incurred on the Schedule for the Low-Income Housing Energy Assistance is as follows:

Total unrestricted expenses per Statement of Activity by Program	\$6,537,104
Less: Depreciation expense	<u>(1,551)</u>
Total expenditures incurred per Schedule of Expenditures of Federal Awards	<u>\$6,535,333</u>

**NOTE 5 – COMMUNITY SERVICE BLOCK GRANT**  
**(Assistance Listing #93.569)**

Reconciliation of expenses incurred on the financial statements to expenditures incurred on the Schedule for the Community Service Block Grant is as follows:

Total unrestricted expenses per Statement of Activity by Program	\$1,090,074
Less: Depreciation expense	<u>(1,551)</u>
Total expenditures incurred per Schedule of Expenditures of Federal Awards	<u>\$1,088,523</u>

**NOTE 6 – EMERGENCY RENTAL ASSISTANCE PROGRAM**  
**(Assistance Listing#21.023)**

Reconciliation of expenses incurred on the financial statements to expenditures incurred on the Schedule for the Emergency Rental Assistance Program is as follows:

Energy Rental Assistance Program (ERAP1)	\$1,756,678
Energy Rental Assistance Program (ERAP2)	<u>4,259,968</u>
Total expenditures incurred Schedule of Expenditures of Federal Awards	<u>\$6,016,646</u>

INTERNAL ACCOUNTING CONTROL AND COMPLIANCE  
AND OTHER MATTERS



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

Board of Directors  
St. Martin, Iberia, Lafayette  
Community Action Agency, Inc.  
Lafayette, Louisiana

We have audited, 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, the financial statements of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. (a nonprofit organization), which comprise the statement of financial position as of May 31, 2023, and the related statements of activity and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 17, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control.

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

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

#### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the St. Martin, Iberia, Lafayette Community Action Agency, Inc. 's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

#### Purpose of this Report

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



CERTIFIED PUBLIC ACCOUNTANTS

November 17, 2023  
Morgan City, Louisiana



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors  
St. Martin, Iberia, Lafayette  
Community Action Agency, Inc.  
Lafayette, Louisiana

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s compliance 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 St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s major federal programs for the year ended May 31, 2023. St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, St. Martin, Iberia, Lafayette Community Action Agency, 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 of its major federal programs for the year ended May 31, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our 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; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.



We are required to be independent of St. Martin, Iberia, Lafayette Community Action Agency, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of St. Martin, Iberia, Lafayette Community Action Agency, Inc.'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 St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our 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 St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s compliance based on our 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 the 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 a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s compliance with the requirements of each major federal program as a whole.

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

- 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 St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of St. Martin, Iberia, Lafayette Community Action Agency, Inc.'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 St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are 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 we 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.

Our 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 our audit we did not identify any deficiencies in internal control over compliance that we 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.

Our 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.



**ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.**  
**SCHEDULE OF FINDINGS, AND QUESTIONED COSTS**  
**For the Year Ended May 31, 2023**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditors' report expresses an unmodified opinion on the financial statements of the St. Martin, Iberia, Lafayette Community Action Agency, Inc., which are prepared in accordance with GAAP.
2. No internal control deficiencies were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. were disclosed during the audit.
4. No findings related to internal control over compliance were disclosed during the audit of the major federal award programs.
5. The auditors' report on compliance for the major federal award programs for the St. Martin, Iberia, Lafayette Community Action Agency, Inc. expresses an unmodified opinion on all major federal programs.
6. No audit findings relative to the major federal award programs for the St. Martin, Iberia, Lafayette Community Action Agency, Inc., are reported in Part C of this Schedule.
7. The program tested as a major program is:  
    U.S. Department of Treasury:  
    Emergency Rental Assistance Program (CFDA No. 21.023)
8. The threshold for distinguishing types A and B programs was \$750,000.
9. St. Martin, Iberia, Lafayette Community Action Agency, Inc. was determined to be a low risk auditee.

**B. FINDINGS – FINANCIAL STATEMENT AUDIT**

NO MATTERS TO BE REPORTED.

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS**

NO MATTERS TO BE REPORTED.

D. SUMMARY OF PRIOR YEAR FINDINGS AND RELATED CORRECTIVE ACTION  
PREPARED BY ST. MARTIN, IBERIA; LAFAYETTE COMMUNITY ACTION AGENCY,  
INC.

NO MATTERS TO BE REPORTED.

**ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY,  
INC.**

SCHEDULE OF PROCEDURES PERFORMED AND  
ASSOCIATED FINDINGS BASED UPON THE  
STATEWIDE AGREED-UPON PROCEDURES

FOR THE YEAR ENDED

May 31, 2023

WITH

AGREED UPON PROCEDURES REPORT

BY

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors  
St. Martin, Iberia, Lafayette  
Community Action Agency, Inc..  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated in the attached Schedule of Procedures Performed and Associated Findings Based Upon the Statewide Agreed-Upon Procedures (Schedule), on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor (LLA)'s Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period June 1, 2022 through May 31, 2023. The St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s (Agency) management is responsible for those C/C areas identified in the SAUPs presented in the attached Schedule.

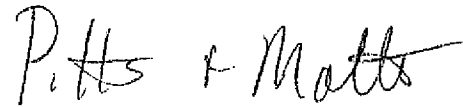
The Agency has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period June 1, 2022 through May 31, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are included in the attached Schedule.

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

We are required to be independent of the Agency and to meet our other 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 may be distributed by the LLA as a public document.

A handwritten signature in cursive script that reads "Pitts & Matthews".

CERTIFIED PUBLIC ACCOUNTANTS

Morgan City, Louisiana  
November 15, 2023

**ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY,  
INC.**

**Schedule of Procedures Performed and Associated Findings Based upon the  
Statewide Agreed-Upon Procedures  
For the Year Ended May 31, 2023**

Guide to Presentation Format

This report contains these items presented in this order:

Statewide Agreed-Upon Procedures (AUPS) prescribed by the Louisiana Legislative Auditor (LLA),  
Procedures performed by the Independent Certified Public Accountant,  
Findings based upon the procedures performed, and  
Management's Comments relative to the findings, if applicable.

In order to facilitate understanding this report - the procedures and findings are presented in the following format:

<u>Order of Presentation</u>	<u>Presentation Format</u>
Area or function	<b>Centered all CAPITALS IN BOLD TYPE</b>
Statewide Agreed-Upon Procedures Prescribed (AUPS) by Louisiana Legislative Auditor (LLA)	Regular type highlighted with numbers or letters (if there are multiple parts)
Actual procedures performed by Independent Certified Public Accountant	Denoted as <b>Procedure Performed:</b> (in bold type) followed by procedure in regular type
Finding based upon procedure performed	Denoted as <b>Findings:</b> (in bold type) followed by findings in regular type
Management's response to findings	Denoted as <b>Management's Response:</b> (in bold type) followed by <i>managements response in italics</i>

## WRITTEN POLICIES AND PROCEDURES

---

### I) Written Policies and Procedures

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

#### **Budgeting**

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

**Procedure Performed:** Obtained from management and inspected the Agency's written policies and procedures for budgeting.

**Findings:** Found that the Agency has written policies and procedures that include the specified functions listed above.

#### **Purchasing**

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

**Procedure Performed:** Obtained from management and inspected the Agency's written policies and procedures for purchasing.

**Findings:** Found that the Agency has written policies and procedures that include the specified functions listed above, with the exception of how vendors are added to the vendor list.

#### **Disbursements**

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

**Procedure Performed:** Obtained from management and inspected the Agency's written policies and procedures for disbursements.

**Findings:** Found that the Agency has written policies and procedures that include the specified functions listed above.

#### **Receipts/Collections**

- iv) Receipts/collections, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).



## WRITTEN POLICIES AND PROCEDURES (CONTINUED)

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**Procedure Performed:** Obtained from management and inspected the Agency's written policies and procedures for receipts/collections.

**Findings:** Found that the Agency has written policies and procedures that include the specified functions listed above.

### Payroll/Personnel

- v) Payroll/Personnel, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

**Procedure Performed:** Obtained from management and inspected the Agency's written policies and procedures for payroll/personnel.

**Findings:** Found that the Agency has written policies and procedures that include the specified functions above.

### Contracting

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

**Procedure Performed:** Obtained from management and inspected the Agency's written policies and procedures for contracting.

**Findings:** Found that the Agency has written policies and procedures that include the specified functions above, with the exception of types of services requiring written contracts, standard terms and conditions, and legal review.

### Travel and Expense Reimbursement

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

**Procedure Performed:** Obtained from management and inspected the Agency's written policies and procedures for travel and expense reimbursement.

**Findings:** Found that the Agency has written policies and procedures that include the specified functions above, with the exception of dollar thresholds by category of expense.

## WRITTEN POLICIES AND PROCEDURES (CONTINUED)

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### Credit Cards

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

**Procedure Performed:** Obtained from management and inspected the Agency's written policies and procedures for credit cards.

**Findings:** Found that the Agency has written policies and procedures that include the specified functions above.

### Ethics

- ix) Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

**The Agency is a non-profit entity to which the Louisiana Code of Governmental Ethics is not applicable; therefore, procedures related to Ethics are not applicable.**

### Debt Service

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

**The Agency is a non-profit entity to which this section is not applicable.**

### Information Technology Disaster Recovery/Business Continuity

- xi) Information Technology Disaster Recovery/Business Continuity, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

**Procedure Performed:** We performed the procedures.

**Findings:** Discussed the findings with management.

## WRITTEN POLICIES AND PROCEDURES (CONTINUED)

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### **Sexual Harassment**

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

**The Agency does have written policies and procedures in this area, however, the Agency is a non-profit entity to which this section is not applicable.**

#### ***Management's response:***

*The Agency has policies and procedures in place for all the areas above, with the exception of Debt Service because it is not applicable to the Agency as a not for profit.*

*We will put written policies and procedures in place in the area of Purchasing, as it relates to how vendors are added to the vendor list; in the area of Contracting, as it relates to types of services requiring written contracts, standard terms and conditions, and legal review; and in the area of Travel and Expense Reimbursement, as it relates to the dollar thresholds by category of expense.*

## BOARD OR FINANCE COMMITTEE

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### 2. Board or Finance Committee

- A) Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- i) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

**Procedure Performed:** Obtained and inspected the Agency's board meeting minutes for the fiscal period, as well as the board's bylaws in effect during the fiscal period.

**Findings:** Found that the Agency met with a quorum at all six bi-monthly board meetings in accordance with the Agency's bylaws.

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

**Procedure Performed:** Because the Agency reports on the non-profit accounting model and public funds comprised more than 10% of the Agency's collections during the fiscal period, we observed the Agency's board meeting minutes for the fiscal period.

**Findings:** Found that the Agency minutes referenced financial activity relating to public funds.

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

**The Agency is not a governmental entity; therefore, this section is not applicable.**

## BOARD OR FINANCE COMMITTEE

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

**Not applicable to the Agency because it did not have any audit findings in the previous audit report.**

***Management's response:***

*No comment.*

## BANK RECONCILIATIONS

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### 3. Bank Reconciliations

- A) 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:
- i) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
  - ii) Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - iii) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

**Procedures Performed:** Obtained the listing of bank accounts from management, and received management's written representation that the list is complete. Management identified the Agency's main operation account. We chose this account and randomly selected 4 additional bank accounts out of a total of 19 accounts and requested bank reconciliations and bank statements for all accounts for the one month randomly selected. Obtained and inspected bank statements and bank reconciliations prepared for the month selected for all accounts selected.

**Findings:**

- i) Observed there is evidence that each bank reconciliation was prepared within 2 months of the related statement closing date.
- ii) Observed there is evidence that a member of management/board of director who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation.
- iii) Found that there were no reconciling items that have been outstanding for more than 12 months at the bank statement closing date.

***Management' response:***

*No comment*

## COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS)

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### 4. Collections (Excluding Electronic Funds Transfers)

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

**Procedure Performed:** Obtained the listing of deposit sites for the fiscal period where deposits for cash/checks/money order (cash) are prepared and management's representation that the listing is complete.

**Findings:** The Agency has two deposit sites.

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

- i) Employees responsible for each collection do not share cash drawers/registers;
- ii) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
- iii) Each employee responsible for collecting cash is not also 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; and
- iv) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

**Procedure Performed:** Obtained the listing of cash/check/money order (cash) collection locations for the Agency's two deposit sites and management's representation that the listing is complete. The list contained 2 cash collection locations. For both locations, we obtained and inspected written policies and procedures relating to employee job duties.

## COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS) (CONTINUED)

### **Findings:**

- i) Employees responsible for collections do not share a cash drawer/register.
- ii) Employees responsible for collecting cash are not responsible for preparing/making bank deposits.
- iii) Employees responsible for collecting cash are not responsible for posting collection entries to the general ledger or subsidiary ledgers.
- iv) The employee responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions is not responsible for collecting cash.

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

**Procedure Performed:** Obtained from management a copy of the insurance policy for theft covering all employees who have access to cash, and observed the insurance policy for theft was enforced during the fiscal period.

**Findings:** The Agency's insurance policy for theft was enforced during the fiscal period.

- D) Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (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). *Alternatively, 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:

- i) Observe that receipts are sequentially pre-numbered.
- ii) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- iii) Trace the deposit slip total to the actual deposit per the bank statement.
- iv) 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).
- v) Trace the actual deposit per the bank statement to the general ledger.



## COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS) (CONTINUED)

**Procedure Performed:** Randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3A (selected the next deposit date chronologically if no deposit was made on the date randomly selected and randomly selected a deposit if multiple deposits were made on the same day). Obtained the Agency's collection documentation (copies of checks, deposit slip images, and bank statements) for each deposit, traced collection documentation to deposit slips, traced deposit slips to bank statements, and traced deposits per bank statement to the general ledger. Observed dates on collection documentation and compared to dates of deposit per bank statements.

**Findings:**

- i) Found the Agency does not use sequentially prenumbered receipts.
- ii) Found that collection documentation agrees to the deposit slips
- iii) Found that the deposit slips agree to the bank statements
- iv) Observed that all deposits were made within one business day of receipt at the collection location.
- v) Found that all the actual deposits per the bank statements were recorded in the general ledger.

***Management's response:***

*No comment*

**NON-PAYROLL DISBURSEMENTS – (EXCLUDING CARD PURCHASE/PAYMENTS,  
TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)**

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**The Association has federal programs subject to Single Audit testing which covers this category; therefore, this area is excluded for the purposes of the Louisiana Legislative Auditor's Agreed-Upon Procedures.**

**CREDIT CARDS/DEBIT CARDS/ FUEL CARDS/PURCHASE CARDS (CARDS)**

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**The Association has federal programs subject to Single Audit testing which covers this category; therefore, this area is excluded for the purposes of the Louisiana Legislative Auditor's Agreed-Upon Procedures.**

## TRAVEL AND TRAVEL-RELATED EXPENSE REIMBURSEMENTS (EXCLUDING CARD TRANSACTIONS)

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### 7. Travel and Travel-Related Expense Reimbursements (Excluding Card Transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- i) 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](http://www.gsa.gov))
  - ii) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased
  - iii) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii), and
  - iv) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**Procedure Performed:** Obtained from management a listing of all travel expense reimbursements during the fiscal period and management's representation that the listing is complete. Randomly selected 5 reimbursements and obtained supporting documentation for each selected reimbursement.

**Findings:** Travel and travel-related expenses included payments for per diems and per mile reimbursements to employees for use of their personal automobiles.

- i) Observed all five reimbursements included payment of per diems and/or mileage reimbursements at the Agency's rates. Both per diem rates and mileage rates were less than State of Louisiana rates and GSA rates.
- ii) Found 1 of 5 reimbursements included payments based on actual costs. This reimbursement was supported by original itemized receipts that identified precisely what was purchased.
- iii) Observed that all five reimbursements were supported by documentation of the business purpose.
- iv) Observed 4 of the 5 reimbursements were reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

***Management' response:***

*In the future, we will have all reimbursements reviewed and approved, in writing, by someone other than the person receiving the reimbursement.*

## **CONTRACTS**

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**The Association has federal programs subject to Single Audit testing which covers this category; therefore, this area is excluded for the purposes of the Louisiana Legislative Auditor's Agreed-Upon Procedures.**

## **PAYROLL AND PERSONNEL**

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**The Association has federal programs subject to Single Audit testing which covers this category; therefore, this area is excluded for the purposes of the Louisiana Legislative Auditor's Agreed-Upon Procedures.**

## **ETHICS**

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**The Association is a non-profit entity to which the Louisiana Code of Governmental Ethics is not applicable; therefore, procedures related to Ethics are not applicable.**

## **DEBT SERVICE**

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**The Association is a non-profit entity to which this section is not applicable.**

## FRAUD NOTICE

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### 12. Fraud Notice

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

**Procedure Performed:** Inquired of management and obtained management's written representation that the Agency did not have any misappropriation of public funds and assets during the fiscal period.

**Findings:** Found the Agency did not have any misappropriation of public funds and assets during the fiscal period.

- B) 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.

**Procedure Performed:** Observed the Agency posted on its premises and website the notice required by R.S. 24-523.1.

**Findings:** Found the Agency posted on its premises and website, the notice required by R.S. 24-523.1.

***Management's response:***

*No comment.*

## **INFORMATION TECHNOLOGY DISASTER RECOVERY/BUSINESS CONTINUITY**

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### **13. Information Technology Disaster Recovery/ Business Continuity**

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

- i) 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 evidence that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.
- ii) Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- iii) 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.

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

**Procedure Performed:** We performed the procedures.

**Findings:** Verbally discussed the results with management.

## PREVENTION OF SEXUAL HARRASSMENT

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**The Association is a non-profit entity to which this section is not applicable.**