

**COMMUNITY WORKS OF LOUISIANA, INC.  
(A NONPROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED  
JUNE 30, 2021 AND 2020**

**COMMUNITY WORKS OF LOUISIANA, INC.**  
**FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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**BERNARD & FRANKS**  
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH V. FRANKS II, C.P.A.

NICHOLAS W. LAFRANZ III, C.P.A.

JAMES L. WHITE, C.P.A.

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Community Works of Louisiana, Inc.  
New Orleans, Louisiana

We have audited the accompanying financial statements of Community Works of Louisiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 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.

**Management's Responsibility 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the combined financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of Community Works of Louisiana, Inc. and its affiliates as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matter**

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Chief Executive Officer on page 18 is presented for the purpose of additional analysis and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined 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 December 22, 2021, on our consideration of Community Works of Louisiana, Inc. and Affiliate'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 the effectiveness of Community Works of Louisiana, Inc. and Affiliate's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Works of Louisiana, Inc. and Affiliate's internal control over financial reporting and compliance.

Metairie, Louisiana  
December 22, 2021



COMMUNITY WORKS OF LOUISIANA, INC.

STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 49,721	\$ 32,435
Accounts receivable	301,398	379,860
Prepaid insurance	5,949	6,271
Total current assets	<u>\$ 357,068</u>	<u>\$ 418,566</u>
PROPERTY AND EQUIPMENT	\$ 24,565	\$ 24,565
Less accumulated depreciation	(11,773)	(9,996)
Total property and equipment	<u>\$ 12,792</u>	<u>\$ 14,569</u>
OTHER ASSET		
Deposit	<u>\$ 928</u>	<u>\$ 928</u>
TOTAL ASSETS	<u>\$ 370,788</u>	<u>\$ 434,063</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 153,194	\$ 41,027
Insurance payable	2,965	2,643
Payroll and benefit liabilities	191	2,654
Total current liabilities	<u>\$ 156,350</u>	<u>\$ 46,324</u>
LONG TERM LIABILITIES		
Paycheck Protection Program loan	\$ 46,242	\$ 46,110
Line of credit	-	30,599
Small Business Administration loan	25,000	25,000
Total long term liabilities	<u>\$ 71,242</u>	<u>\$ 101,709</u>
Total Liabilities	<u>\$ 227,592</u>	<u>\$ 148,033</u>
NET ASSETS		
Without donor restriction	<u>\$ 143,196</u>	<u>\$ 286,030</u>
Total net assets	<u>\$ 143,196</u>	<u>\$ 286,030</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 370,788</u>	<u>\$ 434,063</u>

See notes to the financial statements.

**COMMUNITY WORKS OF LOUISIANA, INC.**

**STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

	2021 Without Donor Restrictions	2020 Without Donor Restrictions
<b>REVENUE, GAINS AND OTHER SUPPORT</b>		
Federal grant	\$ 709,805	\$ 685,438
Other grants and contributions	130,563	58,805
Participant and program fees	328,683	505,553
Gain from PPP loan extinguishment	41,110	-
Miscellaneous	60	-
Total revenues, gains and other support	\$ 1,210,221	\$ 1,249,796
<b>EXPENSES</b>		
Program	\$ 1,136,068	\$ 1,005,250
Supporting services:		
Management and general	139,700	149,097
Fund-raising	77,287	71,863
Total expenses	\$ 1,353,055	\$ 1,226,210
Change in net assets	\$ (142,834)	\$ 23,586
NET ASSETS AT BEGINNING OF YEAR	286,030	262,444
NET ASSETS AT END OF YEAR	\$ 143,196	\$ 286,030

See notes to the financial statements.

**COMMUNITY WORKS OF LOUISIANA, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2021**

	Supporting Services			Total
	Program Services	General and Administrative	Fund-raising	
Compensation and related expenses				
Compensation	\$ 93,698	\$ 70,430	\$ 57,840	\$ 221,968
Payroll taxes	7,168	5,388	4,424	16,980
Benefits	13,124	9,865	8,101	31,090
	<u>\$ 113,990</u>	<u>\$ 85,683</u>	<u>\$ 70,365</u>	<u>\$ 270,038</u>
Accounting and audit	\$ -	\$ 3,511	\$ -	\$ 3,511
Contract services	976,623	-	-	976,623
Depreciation expense	-	1,777	-	1,777
Dues and membership	-	2,989	-	2,989
Equipment	-	10,716	-	10,716
Insurance	-	12,795	-	12,795
Legal	-	1,080	-	1,080
Marketing	-	-	4,220	4,220
Miscellaneous	579	247	2,702	3,528
Postage and mailings	-	587	-	587
Program expenses	22,190	-	-	22,190
Rentals	-	15,301	-	15,301
Supplies	-	739	-	739
Telephone	-	2,303	-	2,303
Training	22,500	1,316	-	23,816
Travel	186	656	-	842
	<u>\$ 1,022,078</u>	<u>\$ 54,017</u>	<u>\$ 6,922</u>	<u>\$ 1,083,017</u>
 Total expenses	 <u>\$ 1,136,068</u>	 <u>\$ 139,700</u>	 <u>\$ 77,287</u>	 <u>\$ 1,353,055</u>

See notes to the financial statements.

COMMUNITY WORKS OF LOUISIANA, INC.

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2020

	Program Services	Supporting Services		Total
		General and Administrative	Fund-raising	
Compensation and related expenses				
Compensation	\$ 92,150	\$ 69,838	\$ 57,257	\$ 219,245
Payroll taxes	7,639	5,789	4,746	18,174
Benefits	8,503	6,444	5,283	20,230
	<u>\$ 108,292</u>	<u>\$ 82,071</u>	<u>\$ 67,286</u>	<u>\$ 257,649</u>
Accounting and audit	\$ -	\$ 16,043	\$ -	\$ 16,043
Contract services	869,539	-	-	869,539
Depreciation expense	-	3,033	-	3,033
Dues and membership	-	6,871	-	6,871
Equipment	-	4,884	-	4,884
Insurance	-	12,480	-	12,480
Legal	-	500	-	500
Marketing	-	-	4,577	4,577
Miscellaneous	93	390	-	483
Postage and mailings	-	529	-	529
Program expenses	22,333	-	-	22,333
Rentals	-	16,259	-	16,259
Supplies	-	75	-	75
Telephone	-	1,692	-	1,692
Training	3,670	3,490	-	7,160
Travel	1,323	780	-	2,103
	<u>\$ 896,958</u>	<u>\$ 67,026</u>	<u>\$ 4,577</u>	<u>\$ 968,561</u>
Total expenses	<u>\$ 1,005,250</u>	<u>\$ 149,097</u>	<u>\$ 71,863</u>	<u>\$ 1,226,210</u>



**COMMUNITY WORKS OF LOUISIANA, INC.**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

	2021	2020
Increase (decrease) in net assets	\$ (142,834)	\$ 23,586
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	1,777	3,033
(Increase) decrease in operating assets:		
Accounts receivable	78,462	(151,111)
Prepays	322	1,766
Increase (decrease) in operating liabilities:		
Accounts payable	112,167	31,795
Insurance payable	322	(1,751)
Payroll and benefit liabilities	(2,463)	(5,182)
Net cash provided by (used in) operating activities	\$ 47,753	\$ (97,864)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property	-	\$ (13,839)
Net cash provided by (used in) investing activities	\$ -	\$ (13,839)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Paycheck protection program loan proceed	\$ 46,242	\$ 46,110
Paycheck protection program loan forgiven	(46,110)	-
Advances on line of credit	(30,599)	30,599
Small Business Administration loan proceed	-	25,000
Net cash provided by (used in) financing activities	\$ (30,467)	\$ 101,709
Net increase (decrease) in cash and cash equivalents	\$ 17,286	\$ (9,994)
Beginning cash and cash equivalents	32,435	42,429
Ending cash and cash equivalents	\$ 49,721	\$ 32,435

See notes to the financial statements.

**COMMUNITY WORKS OF LOUISIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Community Works of Louisiana, Inc. (the Organization) is a 501(c)(3) non-profit organization incorporated in 2009. The Organization is dedicated to building a community of healthy and creative learners through programs that integrate arts, recreation, and educational support. Community Works of Louisiana, Inc. upholds its mission by providing schools and organizations with comprehensive program management with an enrichment component for their afterschool and summer programs.

Financial Statement Presentation

The Organization follows the financial statement presentation recommended by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) topic 958, Not-for-Profit Entities. 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.

The governing board has not designated, from net assets without donor restrictions, net assets for an operating reserve and a board-designated endowment. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors. The revenues received in conducting the mission of the Organization are included in the category.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby, the donor has stipulated these funds be maintained in perpetuity.

**COMMUNITY WORKS OF LOUISIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (continued)

Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service. 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. As of June 30, 2021, the Organization has not received any contributions with donor-imposed restrictions that would result in donor restricted net assets.

Basis of Accounting

The financial statements of Community Works of Louisiana, Inc. have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Cash and Cash Equivalents

For purposes of the statement of cash flows, Community Works of Louisiana, Inc. considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivables are stated at the amount management expect to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Management considered all outstanding accounts receivable as collectible, therefore no allowance for doubtful accounts was necessary at June 30, 2021 and 2020.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**COMMUNITY WORKS OF LOUISIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the useful life of five to seven years of the assets.

Revenue Recognition

The Organization reports public support contributions as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Support and revenue that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the revenue is recognized,

The Organization reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Funds with donor restrictions are used to differentiate the resources whose use is restricted by donors or grantors from the resources on which donors or grantors have placed no restriction or the resources that arise as a result of the operations of the Organization for a stated purpose.

Revenue is recognized for services provided to our clients. Revenue for these services is measured based on the amount charged for the service. Revenue is recognized and considered earned at the time of completion of the services.

Payroll Protection Plan loan amount is recorded as revenue when it is ultimately forgiven (i.e., the entity is legally released from being the loan's primary obligor in accordance with ASC 405-20, Extinguishment of Debt) then income would be recognized in the income statement as a gain on loan extinguishment.

COMMUNITY WORKS OF LOUISIANA, INC.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Tax Status

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. The Organization's Form 990, *Return of Organization Exempt from Income Tax*, for the years ending June 30, 2018, 2019, and 2020 are subject to examination by the Internal Revenue Service.

Concentrations

The Organization's primary source of revenue is derived from grants and contracts. For the fiscal years ended June 30, 2021 and 2020, \$709,805 and \$685,438 or 57% and 55% of the Organization's total gross revenue was from federal grants, \$328,683 and \$505,553 or 26% and 41% of the Organization's total gross revenue was from participant fees and \$125,563 and \$58,805 or 10% and 5% was from other private grants and contributions.

NOTE 2. PROPERTY

Property and equipment consisted of the following:

	2021	2020
Furniture and equipment	\$ 24,565	\$ 24,565
Less: Accumulated depreciation	(11,773)	(9,996)
Total	<u>\$ 12,792</u>	<u>\$ 14,569</u>

Depreciation expense for the years ended June 30, 2021 and 2020 was \$1,777 and \$3,033, respectively.

NOTE 3. LEASING ARRANGEMENTS

The Organization leases its administrative office on a month-to-month basis. Total monthly rental rate is \$1,175. Rental expense for June 30, 2021 and 2020 was \$15,301 and \$16,259.

NOTE 4. RETIREMENT PLAN

The Organization sponsors a salary reduction plan, covering substantially all employees. Under the plan, employees contribute a specified percentage of their salary, or fixed dollar amount, to the plan. The Organization may agree to make "nonelective" contributions to their employees' 401(k) plans. For the years ended June 30, 2021 and 2020, the Organization made contributions of \$4,176 and \$5,403.

**COMMUNITY WORKS OF LOUISIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 5. LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Organization's financial assets as of the balance sheet date and reduced by amounts unavailable for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 49,721	\$ 32,435
Accounts receivable	301,398	379,860
	<u>\$ 351,119</u>	<u>\$412,295</u>

The Organization is substantially supported by grants and program fees. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization also maintains a line of credit to draw upon in an unanticipated liquidity need.

NOTE 6. CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balance at one bank in New Orleans, Louisiana. The balance is insured by the Federal Deposit Insurance Corporation for amounts up to \$250,000. As of June 30, 2021 and 2020 there was no uninsured portion of the balance.

NOTE 7. NOTES PAYABLE

On June 12, 2020, the U.S. Small Business Administration (SBA) authorized a loan to the Organization in the amount of \$25,000. The loan is secured by the Organization's assets and solely used for working capital to alleviate the economic injury caused by the disaster occurring in the month of January 31, 2020 and continuing thereafter. The note bears an interest rate of 2.75% with monthly payments of \$107, including principal and interest. Payments will begin twelve months from the date of the note. All remaining principal and accrued interest is due and payable thirty years from the date of the note.

Maturities of long-term debt for the next five years are as follows:

<u>Year Ending June 30, 2021</u>	<u>Amount</u>
2022	\$ 604
2023	621
2024	636
2025	656
2026	674
Thereafter	21,809
	<u>\$ 25,000</u>

COMMUNITY WORKS OF LOUISIANA, INC.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

NOTE 8. PAYCHECK PROTECTION PROGRAM LOAN

The Organization received two rounds of loan proceeds in the amount of \$41,110 and \$46,242 under the Paycheck Protection Program (“PPP”) for the years ended June 30, 2021 and 2020, respectively. The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and associated accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the twenty-four-week period.

The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first ten months. The Organization intends to use the proceeds consistent with the PPP forgiveness requirements. On June 30, 2021, if the loan were to be paid following the terms of the note, then monthly payments of \$1,973, including interest, would begin in July 2023 and be paid through May 2024. The loan balance would increase by \$618 for accrued interest. No principal payments would be due for the year ended June 30, 2022. Principle payments of \$23,309 and \$23,543 would be paid for the years ended June 30, 2023, and 2024, respectively.

The Organization has recorded the liability under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 470. If any amount is ultimately forgiven (i.e., the entity is legally released from being the loan's primary obligor according to ASC 405-20, Extinguishment of Debt), then income would be recognized in the statement of activities as gain on loan extinguishment.

The Organization completed an application to the Small Business Administration (SBA) for complete forgiveness of the initial PPP loan of \$41,110 as well as any accrued interest. As anticipated, the SBA forgave the initial loan amount and all accrued interest prior to June 30, 2021. The forgiveness is presented in the statement of activities as a Gain from PPP loan extinguishment. The second round of proceeds received was forgiven on November 3, 2021.

NOTE 9. PENDING ACCOUNTING PRONOUNCEMENTS

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires that lessees to recognize right-of-use assets and lease liabilities for all leases with terms longer than 12 months. The adoption of this standard is expected to result in the Organization's recognizing right-of-use assets and lease liabilities for some leases currently accounted for as operating leases under the legacy lease accounting guidance. Management is evaluating the impact of this standard on the Organization's financial statements. Organizations may apply the guidance of Update No. 2016-02 to annual reporting periods beginning after December 15, 2021.

**COMMUNITY WORKS OF LOUISIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

**NOTE 9. PENDING ACCOUNTING PRONOUNCEMENTS (Continued)**

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU amends the existing accounting standards for revenue recognition, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. Organization may apply the guidance to annual reporting periods after December 15, 2021.

**NOTE 10. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 22, 2021, which is the date the financial statements were available to be issued. Management's evaluation revealed no subsequent events that require adjustment to or disclosure in the financial statements.





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

To the Board of Directors of  
Community Works of Louisiana, Inc.

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 Community Works of Louisiana, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 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, and have issued our report thereon dated December 22, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 Organization'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. 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.

A handwritten signature in cursive script that reads "Bernard & Franks".

Metairie, Louisiana  
December 22, 2021

**SCHEDULES OF FINDINGS AND QUESTIONED COSTS**

**COMMUNITY WORKS OF LOUISIANA, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2021**

**SUMMARY OF AUDIT RESULTS**

The auditor's report expresses an unmodified opinion on the financial statements of Community Works of Louisiana, Inc. which was prepared in accordance with generally accepted accounting principles.

No significant deficiencies or material weaknesses in internal control were disclosed during the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Prepared in accordance with *Government Auditing Standards*.

No instances of noncompliance material to the financial statements of Community Works of Louisiana, Inc. were disclosed in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Prepared in accordance with *Government Auditing Standards*.

No management letter was issued for the years ended June 30, 2021.

Community Works of Louisiana, Inc. did not expend more than \$750,000 in federal awards during the years ended June 30, 2021, and therefore, is exempt from the audit requirements under the *Uniform Guidance*.

The dollar threshold used to distinguish between Type A and Type B programs was not applicable for the years ended June 30, 2021.

The qualification of low or high-risk auditee was not applicable to Community Works of Louisiana, Inc. because the Organization was not subject to the requirements of Uniform Guidance.

**FINDINGS-FINANCIAL STATEMENTS**

There were no findings in the years ended June 30, 2021.

**FINDINGS-FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

This is not applicable to the Organization for the years ended June 30, 2021.

**COMMUNITY WORKS OF LOUISIANA, INC.**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2021**

There were no prior year findings.

**SUPPLEMENTARY INFORMATION**

**COMMUNITY WORKS OF LOUISIANA, INC.**

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER  
PAYMENTS TO THE EXECUTIVE DIRECTOR  
FOR THE YEAR ENDED JUNE 30, 2021**

Executive Director: Chandler Nutik

Salary	\$	79,200
Benefits-insurance		15,473
Benefits-retirement		2,376
Cell phone		1,392
	\$	<u>98,441</u>

## **OTHER REPORTS**



**LOUISIANA COMPLIANCE QUESTIONNAIRE**  
**(For Audit Engagements of Quasi-Public Agencies)**

\_\_\_\_\_ (Date Transmitted)

\_\_\_\_\_ Bernard & Franks, A Corporation of CPA's \_\_\_\_\_ (CPA Firm Name)  
\_\_\_\_\_ 4141 Veterans Memorial Boulevard, Suite 313 \_\_\_\_\_ (CPA Firm Address)  
\_\_\_\_\_ Metairie, Louisiana 70002 \_\_\_\_\_ (City, State Zip)

In connection with your audit of our financial statements as of \_\_\_\_\_ June 30, 2021 \_\_\_\_\_ and for  
\_\_\_\_\_ the year then ended \_\_\_\_\_

(period of audit) for the purpose of expressing an opinion as to the fair presentation of our financial statements in accordance with accounting principles generally accepted in the United States of America, to assess our internal control structure as a part of your audit, and to review our compliance with applicable laws and regulations, we confirm, to the best of our knowledge and belief, the following representations. These representations are based on the information available to us as of  
\_\_\_\_\_ December 1, 2021 \_\_\_\_\_ (date completed/date of the representations).

**PART I. Agency Profile**

1. Name and address of the organization.

Community Works of Louisiana, Inc. 3900 General Taylor STE 206, New Orleans, LA 70125

2. List names, addresses, and telephone numbers of entity officials. Include elected/appointed members of the governing board, chief executive and fiscal officer, and legal counsel.

See Attachment

3. Period of time covered by this questionnaire.

July 1, 2020 – June 30, 2021

4. The entity has been organized under the following provisions of the Louisiana Revised Statute(s) (R.S.) and, if applicable, local resolutions/ordinances.

501(c)(3)

5. Briefly describe the public services provided.

Community Works of Louisiana is a 501(c)(3) organization that specializes in the administration of after school and summer extended learning programs.

6. Expiration date of current elected/appointed officials' terms.

See Attachment

**Part II. Federal, State, and Local Awards**

7. We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes [ x ] No [ ] N/A [ ]

8. All transactions relating to federal grants have been properly recorded within our accounting records and reported to the appropriate federal grantor officials.

Yes  No  N/A

9. All transactions relating to state grants have been properly recorded within our accounting records and reported to the state grantor officials.

Yes  No  N/A

10. All transactions relating to local grants have been properly recorded within our accounting records and reported to the appropriate local grantor officials.

Yes  No  N/A

11. The reports filed with federal agencies are properly supported by books of original entry and supporting documentation.

Yes  No  N/A

12. The reports filed with state agencies are properly supported by books of original entry and supporting documentation.

Yes  No  N/A

13. The reports filed with local agencies are properly supported by books of original entry and supporting documentation.

Yes  No  N/A

14. We have complied with all applicable compliance requirements of all federal programs we administer,

Yes  No  N/A

15. We have complied with all applicable specific requirements of all state programs we administer, to include matters contained in the grant awards.

Yes  No  N/A

16. We have complied with all applicable specific requirements of all local programs we administer, to include matters contained in the grant awards.

Yes  No  N/A

17. We have provided you with all communications from grantors concerning noncompliance with or deficiencies in administering grant programs.

Yes  No  N/A

**Part III. Public Records**

18. We are familiar with the Public Records Act and have made available to the public those records as required by R.S. 44:33.

Yes  No  N/A

**Part IV. Open Meetings**

19. Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication “Open Meeting FAQs,” available on the Legislative Auditor’s website to determine whether a non-profit agency is subject to the open meetings law.**

Yes  No  N/A

**Part V. Budget**

20. For each federal grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes  No  N/A

21. For each grant received from the state, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose, duration, specific goals and objectives, and measures of performance.

Yes  No  N/A

22. For each local grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes  No  N/A

**Part VI. Reporting**

23. We have had our financial statements audited in a timely manner in accordance with R.S. 24:513.

Yes  No  N/A

24. We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes  No  N/A

25. We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

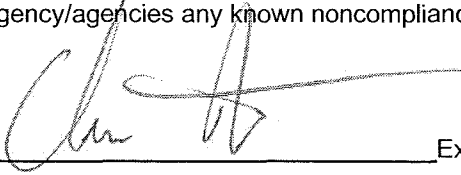
Yes  No  N/A

26. We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes  No  N/A

The previous responses have been made to the best of our belief and knowledge. We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur subsequent to the issuance of your report.



\_\_\_\_\_  
Executive Director                      11/24/2021                      Date

Community Works of Louisiana is a 501(c)(3) organization that specializes in the administration of after school and summer extended learning programs.