

CENLA COMMUNITY ACTION COMMITTEE, INC.
AUDITED FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2021

CENLA COMMUNITY ACTION COMMITTEE, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
CENLA Community Action Committee, Inc.
Alexandria, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of CENLA Community Action Committee, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 entity'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 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 financial statements referred to above present fairly, in all material respects, the financial position of CENLA Community Action Committee, Inc. as of September 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 19 - 23 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of *Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2022, on our consideration of CENLA Community Action Committee, Inc.'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 solely 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 CENLA Community Action Committee, Inc.'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 CENLA Community Action Committee, Inc.'s internal control over financial reporting and compliance.

Brown, E. & Co.
Ridgeland, Mississippi
May 20, 2022

CENLA COMMUNITY ACTION COMMITTEE, INC.
Statement of Financial Position
September 30, 2021

EXHIBIT I

ASSETS	<u>2021</u>
Current Assets:	
Cash and cash equivalents	\$ 140,290
Grants and contracts receivables	<u>133,592</u>
Total Current Assets	<u>273,882</u>
Property and Equipment	
Furniture and equipment	<u>28,717</u>
Total Property and Equipment	28,717
Less: Accumulated depreciation	<u>(28,717)</u>
Net Property and Equipment	<u>-</u>
 TOTAL ASSETS	 <u>\$ 273,882</u>
 LIABILITIES AND NETS ASSETS	
Current Liabilities:	
Accounts payable	\$ 14,164
Accrued annual leave	25,461
Accrued payroll payable	<u>7,279</u>
Total Current Liabilities	<u>46,904</u>
 TOTAL LIABILITIES	 <u>46,904</u>
 NET ASSETS	
Net Assets Without Donor Restrictions	211,260
Net Assets With Donor Restrictions	<u>15,718</u>
Total Net Assets	<u>226,978</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 273,882</u>

The Accompanying Notes are an intergral part of these Financial Statements.

CENLA COMMUNITY ACTION COMMITTEE, INC.
Statement of Activities
For the Year Ended September 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2021</u>
SUPPORT AND REVENUES:			
SUPPORT:			
Grants and contracts	\$ 1,941,496	20,323	\$1,961,819
Net assets released from restrictions for satisfaction of program requirements	<u>4,605</u>	<u>(4,605)</u>	<u>-</u>
Total Support	<u>1,946,101</u>	<u>15,718</u>	<u>1,961,819</u>
REVENUES:			
Interest income	-	-	-
Other revenue	<u>21,549</u>	<u>-</u>	<u>21,549</u>
Total Revenues	<u>21,549</u>	<u>-</u>	<u>21,549</u>
TOTAL SUPPORT AND REVENUES	<u>1,967,650</u>	<u>15,718</u>	<u>1,983,368</u>
EXPENSES:			
PROGRAM SERVICES:			
Community services	665,771	-	665,771
Energy assistance and conservation	1,201,365	-	1,201,365
Senior aid and services	<u>31,844</u>	<u>-</u>	<u>31,844</u>
Total Program Services	<u>1,898,980</u>	<u>-</u>	<u>1,898,980</u>
SUPPORTIVE SERVICES:			
General and administrative	<u>40,626</u>	<u>-</u>	<u>40,626</u>
Total Supportive Services	<u>40,626</u>	<u>-</u>	<u>40,626</u>
TOTAL EXPENSES	<u>1,939,606</u>	<u>-</u>	<u>1,939,606</u>
Change in net assets	28,044	15,718	43,762
Net Assets at, Beginning of Year	<u>183,216</u>	<u>-</u>	<u>183,216</u>
NET ASSETS, END OF Year	<u>\$ 211,260</u>	<u>15,718</u>	<u>\$ 226,978</u>

The Accompanying Notes are an integral part of these Financial Statements.

CENLA COMMUNITY ACTION COMMITTEE, INC.
Statement of Functional Expenses
For the Year Ended September 30, 2021

	Community Services	Energy Assistance and Conservation	Senior Aid and Services	Total Program Services Expenses	General and Administrative	Total Expenses
EXPENSES:						
Salaries and wages	\$ 300,136	178,917	18,923	497,976	7,205	\$ 505,181
Payroll tax expense	82,152	8,432	4,889	95,473	546	96,019
Fringe benefits	-	-	-	-	2,763	2,763
Supplies	33,408	22,102	2,023	57,533	4,012	61,545
Travel and conference	1,370	-	-	1,370	924	2,294
Space cost	14,153	12,437	1,388	27,978	(999)	26,979
Utilities	2,070	2,465	188	4,723	(195)	4,528
Telephone	11,257	2,959	435	14,651	(161)	14,490
Insurance and bonding	6,170	8,495	4	14,669	-	14,669
Postage	167	-	-	167	-	167
Repair and maintenance of building	253	-	-	253	-	253
Board expense	110	-	-	110	-	110
Publication and printing	387	-	60	447	-	447
Specific assistance	203,492	956,447	2,374	1,162,313	-	1,162,313
Contractual	6,854	5,459	584	12,897	1,988	14,885
Advertisement	-	1,045	-	1,045	166	1,211
Liability insurance	-	-	644	644	-	644
Dues and subscriptions	2,256	2,607	213	5,076	124	5,200
Internet service	1,015	-	-	1,015	(57)	958
Legal, audit and accounting	-	-	-	-	21,495	21,495
Bank service charges	-	-	-	-	2,856	2,856
Other	521	-	119	640	(41)	599
Total expenses before depreciation	<u>665,771</u>	<u>1,201,365</u>	<u>31,844</u>	<u>1,898,980</u>	<u>40,626</u>	<u>1,939,606</u>
Depreciation	-	-	-	-	-	-
TOTAL EXPENSES	<u><u>\$ 665,771</u></u>	<u><u>1,201,365</u></u>	<u><u>31,844</u></u>	<u><u>1,898,980</u></u>	<u><u>40,626</u></u>	<u><u>\$ 1,939,606</u></u>

The Accompanying Notes are an intergral part of these Financial Statements.

CENLA COMMUNITY ACTION COMMITTEE, INC.
Statement of Cash Flows
For the Year Ended September 30, 2021

CASH FLOWS USED FOR OPERATING ACTIVITIES:	<u>2021</u>
Changes in Net Assets	\$ 43,762
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
(Increase) decrease in:	
Grants receivable	(7,297)
Increase (decrease) in:	
Accounts payable	1,472
Accrued payroll	1,985
Refundable advances	(63,414)
Accrued annual leave	(85)
NET CASH USED IN OPERATING ACTIVITIES	<u>(23,577)</u>
NET INCREASE (DECREASE) IN CASH	(23,577)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>163,867</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 140,290</u>

The Accompanying Notes are an intergral part of these Financial Statements.

CENLA COMMUNITY ACTION COMMITTEE, INC.
Notes to the Financial Statements
For the Year Ended September 30, 2021

NOTE 1 - BACKGROUND

CENLA Community Action Committee, Inc. (the "Organization") is a multi-funded private nonprofit community based organization designed to stimulate available resources to enable low-wealth individuals and families to attain skills, knowledge, and motivations, and secure the opportunities needed to become economically stable. The Organization operates community action programs in Rapides Parish.

The fiscal year of CENLA Community Action Committee, Inc. is October 1 - September 30.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation - The Organization is required to report information regarding its financial position and activities according to two classes of net assets, as applicable: net assets with donor restrictions and net assets without donor restrictions. In addition, the Organization is required to present a statement of functional expenses and cash flows.

Contributions - In accordance with FASB ASC 958 "Accounting for Contributions Received and Contributions Made", contributions are recognized as revenue upon the effective date of the award of the gift or grant by the donor or grantor. Contributions are recorded as unrestricted and temporarily restricted support depending on the existence and/or nature of any donor or grantor restrictions. The definition of contributions under SFAS applies to grant funds received by the Organization from federal grantors.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents - The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be "cash equivalents".

Property and Equipment - Property and equipment are recorded at costs. Property acquired is considered owned by the Organization. However, the respective funding sources have a reversionary interest in property purchased with grant funds or acquired through government appropriations; the disposition and ownership of any proceeds from the dispositions of property are subject to grant regulations.

The minimum expenditure amounts required, by funding sources, to capitalize non-expendable property within the Organization's property records are amounts over \$5,000.

Depreciation is provided using the straight line method over estimated useful lives. The estimated useful lives are as follows:

Building	30 years
Furniture and Fixtures	5-10 years
Equipment	5-10 years
Vehicles	5 years

CENLA COMMUNITY ACTION COMMITTEE, INC.
Notes to the Financial Statements
For the Year Ended September 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employees' Annual Leave - The Organization charges annual leave earned by employees which has not been used by them at the end of a period to the period that the leave is earned.

Functional Allocation of Expenses - The costs of providing the Organization's various programs and supporting services have been summarized on a functional basis. Accordingly, certain costs have been allocated among programs and supporting services benefited.

Donated Materials - Donated space and materials are reflected as contributions in the accompanying statements at their estimated fair values at date of receipt. The donated space and materials are recognized as both support and expenditure and therefore do not affect net assets.

Income Taxes - The Organization is a private, nonprofit corporation exempt from income taxes as granted by the Internal Revenue Service (IRS) under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income taxes has been recorded on the accompanying financial statements. In addition, the State of Louisiana income tax laws recognizes the Organization as a tax-exempt organization for Louisiana income tax purposes.

The Organization has adopted recently issued accounting principles related to uncertain tax positions for the year ended September 30, 2021, and has evaluated its tax positions taken for all open tax years. Currently, the 2018, 2019 and 2020 tax years are open and subject to examination by the Internal Revenue Service; however, the Organization is not currently under audit nor has the Organization been contacted by any of these jurisdictions.

Based on the evaluation of the Organization's tax positions, management believes all positions taken would be upheld under an examination; therefore, no provision for the effects of uncertain tax positions has been recorded for the year ended September 30, 2021.

Classification of Net Assets - Net Assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Net Assets are comprised of two groups as follows:

- a) **Net Assets Without Donor Restrictions** - Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.
- b) **Net Assets With Donor Restrictions** - Assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the organization. Certain restrictions may need to be maintained in perpetuity.

CENLA COMMUNITY ACTION COMMITTEE, INC.
Notes to the Financial Statements
For the Year Ended September 30, 2021

NOTE 3 - CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances at a financial institution which is insured by the Federal Deposit Insurance Corporation. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of September 30, 2021, the Organization cash balances were fully insured.

NOTE 4 - LIQUIDITY AND AVAILABILITY

The Organization strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. Financial assets in excess of daily cash requirements are invested in certificates of deposit, money market funds, and other short-term investments.

The following table reflects the Organization's financial assets as of September 30, 2021, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of internal board designations. In the event the need arises to utilize the board-designated funds for liquidity purposes, the reserves could be drawn upon through board resolution. Amounts not available to meet general expenditures within one year also may include net assets with donor restrictions. There were no net assets with donor restrictions at September 30, 2021.

Financial assets available for general expenditure at September 30, 2021, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$	140,290
Grants Receivable		<u>133,592</u>
Financial assets available to meet cash needs for general expenditures within one year	\$	<u><u>273,882</u></u>

NOTE 5 - PROPERTY AND EQUIPMENT

A summary of property and equipment as of September 30, 2021 is as follows:

Description	Balance at 09/30/2021
Furniture and equipment	\$ <u>28,717</u>
Total Property and Equipment	28,717
Less: accumulated depreciation	<u>(28,717)</u>
Net Property and Equipment	<u><u>\$ -</u></u>

There is no depreciation expense for the year ended September 30, 2021.

CENLA COMMUNITY ACTION COMMITTEE, INC.
Notes to the Financial Statements
For the Year Ended September 30, 2021

NOTE 6 - GRANT BALANCES AND GRANT CONDITIONS

The Organization has responsibility for expending grant funds in accordance with specified instructions from its funding sources. Any deficits resulting from over expenditures and/or questioned costs are the responsibility of the Organization.

Any unexpended grant funds at the end of the grant period may be refundable or carried over to the following period at the discretion of the funding sources.

Notwithstanding the audits by independent certified public accountants, all costs included in this report remain subject to audit by the agencies providing financial support within the limits of the Uniform Guidance. The determination as to whether costs will be allowable or unallowable under the grants will be made by representatives of the funding sources having authority to make and enforce contracts.

NOTE 7 - RETIREMENT PLAN

The Organization adopted a defined contribution pension plan that has been determined by the Internal Revenue Services to meet the requirements for qualifications under Section 403(b) of the Internal Revenue Code, and which permits or requires amounts contributed there under to be applied under the contract on behalf of employees covered by the plan. Employees eligible to participate may contribute \$9,500 or 20% of their annual salary to the plan. CENLA will match the employees' contribution up to 5% of the employees' gross annual salary. The assets of the plan are managed by separate directors and are not included in the financial statements. For year ended September 30, 2021, CENLA contributions to the 403(b) Plan totaled \$38,972.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Operating Leases

The following is a schedule by years of minimum future space rentals on non-cancelable operating leases for the administrative offices as of September 30, 2021.

<u>Year Ending September 30:</u>	<u>Amount</u>
2022	\$ 16,500
TOTALS	\$ 16,500

CENLA leases an office building operating leases. Rent expense for the year ended September 30, 2021 totaled \$26,979.

NOTE 9 - CONCENTRATION OF CONTRIBUTIONS OR GRANTS

Approximately 52.00% of the Organization's funding is provided by grants from the U. S. Department of Health and Human Services.

CENLA COMMUNITY ACTION COMMITTEE, INC.
Notes to the Financial Statements
For the Year Ended September 30, 2021

NOTE 10 - LITIGATION

CENLA Community Action Committee, Inc. maintains general liability, property, directors and officers and other insurance coverage in amounts the Company believes to be adequate.

In the ordinary course of its business, CENLA Community Action Committee, Inc. is a party to claims and legal actions by others. After consulting with legal counsel, the Organization is of the opinion that any liability that may ultimately be incurred as a result of these claims, legal actions, audits or investigations will not have a material adverse effect on the financial position or results of operations of CENLA Community Action Committee, Inc.

NOTE 11 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods.

	<u>2021</u>
Subject to expenditures for specific purpose:	
Emergency Food & Shelter Program Assistance	\$ <u>15,718</u>
Total	\$ <u>15,718</u>

NOTE 12 - SUBSEQUENT EVENTS

Events that occur after the Statement of Financial Position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Financial Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Financial Position date require disclosure in the accompanying notes. Management of CENLA Community Action Committee, Inc., evaluated the activity of the Organization through May 20, 2022, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

NOTE 13 - COVID-19 FINANCIAL STATEMENT IMPACTS

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. The extent of the impact of COVID-19 on the Organization's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the Organization's, employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact the Organization's financial position and changes in net assets and cash flows is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.



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
CENLA Community Action Committee, Inc.
Alexandria, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of CENLA Community Action Committee, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2021, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 20, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered CENLA Community Action Committee, 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 CENLA Community Action Committee, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of CENLA Community Action Committee, 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether CENLA Community Action Committee, Inc.'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*.

We noted certain matters that we reported to management of CENLA Community Action Committee, Inc. in a separate letter dated May 20, 2022.

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.

Brown, Eg & Co.

Ridgeland, Mississippi
May 20, 2022



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

To the Board of Directors of
CENLA Community Action Committee, Inc.
Alexandria, Louisiana

Report on Compliance for Each Major Federal Program

We have audited CENLA Community Action Committee, Inc.'s compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of CENLA Community Action Committee, Inc.'s major federal programs for the year ended September 30, 2021. CENLA Community Action Committee, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of CENLA Community Action Committee, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about CENLA Community Action Committee, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of CENLA Community Action Committee, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, CENLA Community Action Committee, 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 September 30, 2021.

Report on Internal Control Over Compliance

Management of CENLA Community Action Committee, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered CENLA Community Action Committee, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of CENLA Community Action Committee, Inc.'s 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Brown, Egg & Co.

Ridgeland, Mississippi
May 20, 2022

CENLA COMMUNITY ACTION COMMITTEE, INC.
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2021

Federal Grant/ Pass-Through Grantor Program Title	Assistance Listing Number	Pass-Through Grant Number	Federal Expenditures
<u>U. S. Department Of Human Services</u>			
Pass through State of Louisiana:			
Office of Workforce Development			
<i>Community Service Block Grant Cluster Program:</i>			
CARES Act Community Service Block Grant	93.569	2001LACSC3	\$ 256,229
Community Service Block Grant -	93.569	2020N0014	<u>404,937</u>
Total Community Service Block Grant Cluster Program			<u>661,166</u>
Pass through State of Louisiana Housing Corporation:			
Low-Income Home Energy Assistance Program	93.568	LIHEAP 2020	1,170,097
CARES Act Low-Income Home Energy Assistance Program	93.568	LIHEAP 2020	<u>31,268</u>
			<u>1,201,365</u>
Total U. S. Department of Health and Human Services			<u>1,862,531</u>
Direct Funding			
Federal Emergency Management Agency			
Emergency Food and Shelter Program	97.024	37-3668-00	<u>4,605</u>
Total Federal Emergency Management Agency			<u>4,605</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,867,136</u>

CENLA COMMUNITY ACTION COMMITTEE, INC.
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2021

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of CENLA Community Action Committee, Inc. under programs of the federal government for the year ended September 30, 2021. 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 the operations of CENLA Community Action Committee, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of CENLA Community Action Committee, Inc.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. 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 reimbursement.

CENLA Community Action Committee, Inc. does not charge indirect cost and therefore has elected not to use the 10-percent de minimis Indirect cost rate allowed under the Uniform Guidance.

CENLA COMMUNITY ACTION COMMITTEE, INC.

SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2021

SCHEDULE A

CENLA COMMUNITY ACTION COMMITTEE, INC.
 Combining Schedule of Revenues
 For the Year Ended September 30, 2021

	<u>Community Services and Economic Development</u>	<u>Energy Assistance and Conservation</u>	<u>General Fund</u>	<u>Senior Citizens Program</u>	<u>Total</u>
REVENUES:					
Grants and contracts	\$ 681,489	1,201,365	-	78,965	\$ 1,961,819
Other revenue	<u>-</u>	<u>-</u>	<u>21,549</u>	<u>-</u>	<u>21,549</u>
TOTAL SUPPORT AND REVENUES	<u>\$ 681,489</u>	<u>1,201,365</u>	<u>21,549</u>	<u>78,965</u>	<u>\$ 1,983,368</u>

SCHEDULE B

CENLA COMMUNITY ACTION COMMITTEE, INC.
 Community Service Programs
 Combining Schedule of Revenues and Expenses
 For the Year Ended September 30, 2021

	Emergency Food and Shelter Program	Community Service Block Grant Program	Community Service Block Grant Program (CARES ACT)	TOTAL
REVENUES:				
Grants and contracts	\$ 20,323	404,937	256,229	\$ 681,489
TOTAL SUPPORT AND REVENUES	<u>20,323</u>	<u>404,937</u>	<u>256,229</u>	<u>681,489</u>
EXPENSES:				
Program Services				
Salaries and wages	-	231,293	68,843	300,136
Payroll tax expense	-	77,069	5,083	82,152
Supplies	-	31,813	1,595	33,408
Travel and conferences	-	1,370	-	1,370
Space cost	-	14,153	-	14,153
Utilities	-	2,070	-	2,070
Telephone	-	7,048	4,209	11,257
Insurance and bonding	-	6,170	-	6,170
Repair and maintenance	-	253	-	253
Board expense	-	110	-	110
Publication and printing	-	387	-	387
Specific assistance	4,605	22,707	176,180	203,492
Contractual	-	6,549	305	6,854
Dues and subscriptions	-	2,242	14	2,256
Internet service	-	1,015	-	1,015
Other	-	521	-	521
Total Program Services	<u>4,605</u>	<u>404,937</u>	<u>256,229</u>	<u>665,771</u>
Excess Revenues Over (Under) Expenses	<u>\$ 15,718</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,718</u>

SCHEDULE C

CENLA COMMUNITY ACTION COMMITTEE, INC.
 Energy Assistance and Conservation
 Combining Schedule of Revenues and Expenses
 For the Year Ended September 30, 2021

	<u>LIHEAP Grant Program</u>	<u>LIHEAP Grant (CARES ACT)</u>	<u>TOTAL</u>
REVENUES:			
Grants and contracts	\$ <u>1,170,097</u>	<u>31,268</u>	\$ <u>1,201,365</u>
TOTAL SUPPORT AND REVENUES	<u>1,170,097</u>	<u>31,268</u>	<u>1,201,365</u>
EXPENSES:			
Program Services			
Salaries and wages	178,917	-	178,917
Payroll tax expense	8,432	-	8,432
Supplies	22,102	-	22,102
Space cost	12,437	-	12,437
Utilities	2,465	-	2,465
Telephone	2,959	-	2,959
Insurance and bonding	8,495	-	8,495
Specific assistance	925,179	31,268	956,447
Contractual	5,459	-	5,459
Advertisement	1,045	-	1,045
Dues and subscription	<u>2,607</u>	<u>-</u>	<u>2,607</u>
Total Expenses	<u>1,170,097</u>	<u>31,268</u>	<u>1,201,365</u>
Excess Revenues Over (Under) Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SCHEDULE D

CENLA COMMUNITY ACTION COMMITTEE, INC.
 Senior Aid and Services
 Schedule of Revenues and Expenses
 For the Year Ended September 30, 2021

	<u>Senior Citizens Program</u>
REVENUES:	
Grant revenue (non-federal)	\$ <u>78,965</u>
TOTAL SUPPORT AND REVENUES	<u>78,965</u>
EXPENSES	
Salaries	18,923
Payroll tax expense	4,889
Supplies	2,023
Space cost	1,388
Utilities	188
Telephone	435
Insurance and bonding	4
Publication and printing	60
Specific assistance	2,374
Contractual	584
Liability Insurance	644
Dues and subscriptions	213
Other	<u>119</u>
Total Expenses	<u>31,844</u>
Excess Revenues Over (Under) Expenses	<u>\$ 47,121</u>

SCHEDULE E

CENLA COMMUNITY ACTION COMMITTEE, INC.
 General and Administrative
 Schedule of Revenues and Expenses
 For the Year Ended September 30, 2021

	<u>General and Administrative</u>
REVENUES:	
Other	\$ <u>21,549</u>
 TOTAL SUPPORT AND REVENUES	 <u>21,549</u>
EXPENSES	
Salaries and wages	7,205
Payroll tax expense	546
Fringe benefits	2,763
Supplies	4,012
Travel and conferences	924
Space cost	(999)
Utilities	(195)
Telephone	(161)
Contractual	1,988
Advertisement	166
Dues and subscriptions	124
Medical screening and background check	(57)
Legal, audit and accounting	21,495
Bank service charges	2,856
Other	<u>(41)</u>
Total Expenses	<u>40,626</u>
Excess Revenues Over (Under) Expenses	\$ <u>(19,077)</u>

SCHEDULE F

CENLA COMMUNITY ACTION COMMITTEE, INC.
 Schedule of Compensation, Benefits, Reimbursements, and Other Payments to Chief Executive Officer
 For the Year Ended September 30, 2021

In accordance with Act 706 passed during the 2014 regular Louisiana Legislative Session, the compensation, benefits, reimbursements and other payments to the Chief Executive Officer are presented as follows:

<u>Category</u>	<u>Amount</u>	<u>Total</u>
Salary	\$ 67,427	
Incentive pay - (bonus)	<u>2,266</u>	
Total salary		\$ 69,693
Benefits:		
Health insurance	\$ 7,784	
Social security	4,178	
Medicare	977	
Retirement	<u>3,132</u>	
Total benefits		16,071
Travel:		
Conference	467	
Airfare and lodging	457	
Per diem	-	
Registration	<u>-</u>	
Total travel		<u>924</u>
Total Compensation, Benefits, Travel, and Other Expenses		<u>\$ 86,688</u>

CENLA COMMUNITY ACTION COMMITTEE, INC.
 Schedule of Findings and Questioned Costs
 Year Ended September 30, 2021

SECTION 1. SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

- | | | |
|----|---|---------------|
| 1. | Type of auditor's report issued on the financial statements. | Unmodified |
| 2. | Material noncompliance relating to the financial statements. | None |
| 3. | Internal control over financial reporting: | |
| | a. Material weaknesses identified? | No |
| | b. Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |

Federal Awards:

- | | | | | | | |
|---|--|---|----------------------------------|---|--------|--|
| 4. | Type of auditor's report issued on compliance for major federal programs | Unmodified | | | | |
| 5. | Internal control over major programs: | | | | | |
| | a. Material weaknesses identified? | No | | | | |
| | b. Significant deficiencies identified that are not considered to be material weaknesses? | None Reported | | | | |
| 6. | Audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a)? | No | | | | |
| 7. | Federal programs identified as major programs: | | | | | |
| | <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;"><u>Name of Federal Program or Cluster</u></td> <td style="width: 40%; text-align: right;"><u>Assistance Listing Number</u></td> </tr> <tr> <td>Low Income Home Energy Assistance Program</td> <td style="text-align: right;">93.568</td> </tr> </table> | <u>Name of Federal Program or Cluster</u> | <u>Assistance Listing Number</u> | Low Income Home Energy Assistance Program | 93.568 | |
| <u>Name of Federal Program or Cluster</u> | <u>Assistance Listing Number</u> | | | | | |
| Low Income Home Energy Assistance Program | 93.568 | | | | | |
| 8. | The dollar threshold used to distinguish between type A and type B programs: | \$750,000 | | | | |
| 9. | Auditee did qualify as a low-risk auditee. | | | | | |

SECTION 2. FINDING - FINANCIAL STATEMENTS AUDIT

NONE

SECTION 3. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAMS

NONE

CENLA COMMUNITY ACTION COMMITTEE, INC.
4008 Parliament Drive
Alexandria, Louisiana 71303

Summary Schedule of Prior Year Audit Findings
For the Year Ended September 30, 2021

There were no audit findings for the 18-months ended September 30, 2020.

CENLA COMMUNITY ACTION COMMITTEE, INC.
MANAGEMENT LETTER
FOR THE YEAR ENDED SEPTEMBER 30, 2021



BROWN, EWING & CO.
P. A.
CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
CENLA Community Action Committee, Inc.
Alexandria, Louisiana

In planning and performing our audit of the financial statements of CENLA Community Action Committee, Inc., as of and for the year ended September 30, 2021, 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, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

However, during our audit, we became aware of matters that are an opportunity for strengthening internal controls and operating efficiency. The findings that are included with this letter summarize our comments and suggestions regarding those matters. This letter does not affect our report dated May 20, 2022 on the financial statements of The Authority.

We will review the status of these comments during our next audit engagement. We have already discussed the comment and suggestions with various Authority personnel, and we will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

NEW ACCOUNTING SOFTWARE NEEDED

Our analysis of the organization's current computer accounting system indicates that there are certain limitations, such as reporting on the organization's fiscal year, and generating monthly internal financial statements for management.

Recommendation

We strongly suggest that a new accounting software package be considered which would satisfy the needs of the organization and provide management with more complete financial reporting information.

Response

We are aware of the antiquated PBS system being DOS based and are currently considering a more user-friendly accounting software package to handle the growing accounting needs of the agency.

SUPERVISORY REVIEW AND INTERIM ANALYSIS OF ACCOUNTS

While conducting our audit, we noted that there is no formal supervisory review process of accounting transactions and no formal interim analysis of general ledger accounts. As a result, posting errors were discovered that required adjustments.

Recommendation

We strongly recommend that the organization develop a supervisory review process of accounting transactions that also includes an interim analysis of general ledger accounts. This will help to reduce errors within the accounting records, reduce journal entries that may be required at year end and provide for better efficiency within the accounting function.

Response

Our current finance manual does address this process. We will ensure that a supervisory review process of accounting transactions that also includes an interim analysis of general ledger accounts is put in place. As stated in your recommendation, this will help to reduce errors within the accounting records, reduce journal entries that may be required at year end and provide for better efficiency within the accounting function.

This report is intended solely for the information and use of management, the Mayor, the City Council, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Brown, E. & Co.
Ridgeland, Mississippi
May 20, 2022