

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**

**FINANCIAL AND COMPLIANCE AUDIT  
TOGETHER WITH  
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

***Sean M. Bruno***  
***Certified Public Accountants, LLC***  

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*Sean M. Bruno*  
*Certified Public Accountants, LLC*

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Society of Louisiana  
Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
**Central City Economic Opportunity Corporation**  
New Orleans, Louisiana

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of **Central City Economic Opportunity Corporation (CCEOC)**, (a non-profit organization) which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **CCEOC** as of December 31, 2023, 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.

***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 *Government Auditing Standards*, issued by the Comptroller General of the United States of America. 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 **CCEOC** and to meet our other ethical responsibilities in accordance with the 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 audit opinions.

## **INDEPENDENT AUDITORS' REPORT** **(CONTINUED)**

### ***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 and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CCEOC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgement 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.

## **INDEPENDENT AUDITORS' REPORT** **(CONTINUED)**

### ***Auditor's Responsibilities for the Audit of the Financial Statements, Continued***

- 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 CCEOC'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about CCEOC'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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining statements of activities and functional expenses and schedule of compensation, benefits and other payments to Executive Director for the year ended December 31, 2023 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.

**INDEPENDENT AUDITORS' REPORT**  
**(CONTINUED)**

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2024, on our consideration of CCEOC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CCEOC's internal control over financial reporting and compliance.



**SEAN M. BRUNO**  
**CERTIFIED PUBLIC ACCOUNTANTS, LLC**  
New Orleans, Louisiana

September 23, 2024

**Central City Economic Opportunity Corp.**

Statement of Financial Position

As of December 31, 2023

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**ASSETS**

	<u>2023</u>
Cash and cash equivalents (NOTE 2)	\$ 129,094
Grant receivable ( NOTE 4)	444,992
Interest receivable (NOTE 16)	410,659
Investment (NOTE 5)	106,169
Note receivable (NOTE 15)	539,000
Fixed assets net of accumulated depreciation \$171,083 (NOTE 6)	277,014
Other Assets	<u>796</u>
 Total Assets	 <u><u>\$ 1,907,724</u></u>

**LIABILITIES AND NET ASSETS**

Liabilities

Accounts payable	\$ 242,297
American express	14,595
Payroll related liabilities	67,445
Line of credit (NOTE 11)	99,208
Deferred revenue	61,474
Note payable (NOTE 7)	<u>250,000</u>
 Total Liabilities	 <u>735,019</u>

Net Assets

Net assets with donor restrictions	-
Net assets without donor restrictions	<u>1,172,705</u>
 Total Net Assets	 <u>1,172,705</u>
 Total liabilities and net assets	 <u><u>\$ 1,907,724</u></u>

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

**Central City Economic Opportunity Corp.**  
Statement of Activities  
For the Year Ended December 31, 2023

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
<b><u>Revenues and Support:</u></b>			
Grants and contracts	\$ 1,756,071	\$ -	\$ 1,756,071
Program services	41,086	-	41,086
Interest	30,235	-	30,235
Rental income	8,000	-	8,000
Gain on sale of assets	19,000	-	19,000
Miscellaneous	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Total Revenues and Support	<u>1,856,892</u>	<u>-</u>	<u>1,856,892</u>
<b><u>Expenses:</u></b>			
Program services	1,852,374	-	1,852,374
Support services	<u>10,219</u>	<u>-</u>	<u>10,219</u>
Total expenses	<u>1,862,593</u>	<u>-</u>	<u>1,862,593</u>
Change in net assets	(5,701)	-	(5,701)
<b><u>Net Assets</u></b>			
Beginning of the year	<u>1,178,406</u>	<u>-</u>	<u>1,178,406</u>
End of year	<u>\$ 1,172,705</u>	<u>\$ -</u>	<u>\$ 1,172,705</u>

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

**Central City Economic Opportunity Corp.**

**Statement of Functional Expenses**  
**For the Year Ended December 31, 2023**

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	<b>Program Services</b>	<b>Support Services</b>	<b>Total</b>
Salaries and wages	\$ 883,427	\$ -	\$ 883,427
Professional fees	541,612	550	542,162
Supplies	139,015	4,021	143,036
Telephone	46,790	2,013	48,803
Postage and shipping	285	-	285
Occupancy expenses	51,060	-	51,060
Insurance	40,372	-	40,372
Maintenance and repairs	52,335	1,192	53,527
Software	7,769	-	7,769
Depreciation	18,044	-	18,044
Amortization	22,500	-	22,500
Vehicle	28,321	2,443	30,764
Printing	11,723	-	11,723
Other expenses	9,121	-	9,121
Total	<u>\$ 1,852,374</u>	<u>\$ 10,219</u>	<u>\$ 1,862,593</u>

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

**Central City Economic Opportunity Corp.**

## Statement of Cash Flows

For the Year Ended December 31, 2023

	<u>2023</u>
<b><u>Cash Flows from Operating Activities:</u></b>	
Change in net assets	\$ (5,701)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation expense	18,044
Amortization expense	22,500
Gain (loss) on sale of assets	19,000
Decrease in grants receivable	249,710
Increase in interest receivable	(30,085)
Decrease in operating right of use asset	22,471
Increase in other assets	(499)
Decrease in accounts payable	(207,489)
Increase in payroll related liabilities	2,355
Increase in other liabilities	14,595
Decrease in short-term operating lease liability	(29,974)
Decrease in long-term operating lease liability	(14,997)
Increase in deferred revenue	61,474
Net cash used in operating activities	<u>121,404</u>
<b><u>Cash Flows from Investing Activities:</u></b>	
Purchase of fixed assets	(191,978)
Purchase of investments	(149)
Net cash used in investing activities	<u>(192,127)</u>
<b><u>Cash Flows from Financing Activities:</u></b>	
Proceeds from line of credit	6,970
Net cash provided by financing activities	<u>6,970</u>
Net decrease in cash and equivalents	(63,753)
Cash - January 1, 2023	<u>192,847</u>
Cash - December 31, 2023	<u><u>\$ 129,094</u></u>

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

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**Nature of Activities**

**Central City Economic Opportunity Corporation (CCEOC)** was organized to promote and develop economic opportunity to those in need of increased economic opportunity; to promote the education and welfare of the people of the community; and to form special interest groups as it deems necessary to solve special problems of the community.

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

**Basis of Accounting**

The financial statements of **CCEOC** are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets, 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.

**Cash and Cash Equivalents**

Cash consist solely of demand deposits and a money market account that is secured by federal deposit insurance. All highly liquid debt instruments purchased with an original maturity of three (3) months or less are considered to be cash equivalents for purposes of the statement of cash flows. All deposits are secured by federal deposit insurance.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,  
CONTINUED:

Fair Value

**CCEOC** adopted certain provisions of Statement of Financial Accounting Standards (SFAS) No. 157, Fair Value Measurements which are codified in FASB ASC Topic 820. ASC Topic 820 refines the definition of fair value, established specific requirements as well as guidelines for a consistent framework to measure fair value, and expands disclosure requirements about fair value measurements. Further ASC Topic 820 require **CCEOC** to maximize the use of observable marked input, minimize the use of unobservable marked inputs, and disclose in the form of an outlined hierarchy, the details of such fair value measurements.

Presentation of Financial Statements

The Financial Accounting Standards Board (FASB) issued Accounting Standards update No. 2016-14 affecting ASC 958, *Not-for-Profit Entities*, which established standards for external financial reporting by not-for-profit organizations. The primary objective of this update was to make certain improvements to the current reporting practices of not-for-profit entities. **CCEOC** has implemented the requirements of this update in the accompanying financial statements.

**CCEOC's** financial statements are presented in accordance with requirements established by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as set forth in FASB ASC 958 and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit Guide for Not-for-Profit Organizations" (the Guide) update No. 2016-14. ASC 958-205 was effective January 1, 2018. Under provisions of the Guide net assets of **CCEOC** are classified to present the following based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of **CCEOC** are classified as follows:

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,  
CONTINUED:

Presentation of Financial Statements, Continued

Net assets without donor restrictions are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of CCEOC. CCEOC's board may designate assets without restrictions for specific operational purposes from time to time. Some donor restrictions are temporary in nature; those restrictions will be met by actions of CCEOC or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Net assets with donor restrictions include contributions for which donor-imposed time and/or purpose restrictions have not been met. As of December 31, 2023, CCEOC did not have any Net Assets With Donor Restrictions.

Functional Allocation of Expenses

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

Revenue Recognition

For financial reporting, CCEOC recognizes all contributed support as income in the period received. Contributed support is reported as without donor restrictions or with donor restriction depending on the existence of donor stipulations that limit the use of the support. 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 activity as net assets released from restrictions.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,  
CONTINUED:

Grants Receivable

CCEOC considers receivables to be fully collectible since the balance consists principally of payments due under governmental contracts. If amounts due become uncollectible, they will be charged to operations when that determination is made.

Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to CCEOC's ongoing activities. Non-operating activities are limited to resources that generate return from investments, financing costs, and other activities considered to be a more unusual or nonrecurring nature.

Property and Equipment

CCEOC records property and equipment at cost. Donated assets are recorded at estimated value at date of donation. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on the straight-line method.

It is the policy of CCEOC to capitalize all property, furniture, and equipment with an acquisition cost in excess of \$5,000.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,  
CONTINUED:

Note Receivable

Note receivable is recorded based on value received. Allowance for uncollectible amounts is based on periodic evaluation by management of the related risk to include other economic factors.

Fair Values of Financial Investments

Cash and cash equivalent amounts reported in the statement of financial position approximate fair value because of the short maturities of those investments.

Income Taxes

**CCEOC** is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. Therefore, no provision for income taxes is made in the accompanying financial statements. Should **CCEOC's** tax status be challenged in the future, **CCEOC's** 2020, 2021 and 2022 tax years are open for examination by the Internal Revenue Service.

NOTE 2 - CASH:

Financial instruments that potentially subject **CCEOC** to concentrations of credit risk consist principally of cash and cash equivalent accounts in financial institutions. At December 31, 2023, **CCEOC** had cash and cash equivalents in the bank accounts at several banking institutions totaling \$254,506.

The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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**NOTE 3 - ECONOMIC DEPENDENCY:**

During the year ended December 31, 2023, **CCEOC** received approximately 84% of its Federal grants from Total Community Action, Inc. (TCA) and 13% from the Council on Aging (COA) through a pass-through federal award. If the amount of revenues received from TCA and COA were to fall below contract levels, **CCEOC's** operating results could be adversely affected.

**NOTE 4 - GRANT RECEIVABLE:**

Grant receivable at December 31, 2023 consisted of the following:

Louisiana Department of Education	\$ 179,690
Civil Affairs Program	1,833
Early Head Start Program	61,755
Head Start Program	174,795
Food Services Program	7,754
Community Development Block Grant	<u>19,164</u>
	\$ <u>444,992</u>

**NOTE 5 - LIQUIDITY AND AVAILABILITY:**

Financial assets available for general expenditure, that is without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise of cash and cash equivalents totaling \$129,094 grants receivable totaling \$444,992 and investments totaling \$106,169. Management has a goal to maintain sufficient financial resources on hand to meet sixty (60) days of normal operating expenses.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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**NOTE 6 - PROPERTY, BUILDING AND EQUIPMENT, NET:**

Property, building, and equipment at December 31, 2023 consisted of the following:

	Balance January 1, <u>2023</u>	<u>Addition</u>	<u>Retirement</u>	Balance December 31, <u>2023</u>
Land	\$ 79,050	\$ -0-	\$-0-	\$ 79,050
Building	77,566	-0-	-0-	77,566
Vehicles	200,226	38,771	(121,616)	117,381
Furniture and office equipment	<u>45,892</u>	<u>134,208</u>	<u>-0-</u>	<u>180,100</u>
	402,734	172,979	(121,616)	454,097
Less: accumulated depreciation	<u>(280,655)</u>	<u>(18,044)</u>	<u>121,616</u>	<u>(177,083)</u>
	<u>\$ 122,079</u>	<u>\$154,935</u>	<u>\$121,616</u>	<u>\$ 277,014</u>

Depreciation expense for the year ended December 31, 2023 was \$18,044.

**NOTE 7 - NOTE PAYABLE:**

Note payable at December 31, 2023 consisted of the following:

Note payable to City of New Orleans, at a 3% interest rate, due December 2023. The note for \$539,000 is secured by a second mortgage on real estate, the Handleman building. \$250,000

The note payable to the City of New Orleans does not start to accrue interest until CCEOC transfers the property to an entity that qualifies for the historic tax credit and the transferee borrows a minimum of \$2,500,000 on a non-recourse basis to develop the Handleman building.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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**NOTE 7 - NOTE PAYABLE:, CONTINUED**

Management of **CCEOC** sold the Handleman building subsequent to year end allowing **CCEOC** to pay off the outstanding liability at December 31, 2023.

**NOTE 8 - GRANTS:**

Grants revenue totaled \$1,756,071 for the year ended December 31, 2023.

**NOTE 9 - FAIR VALUE MEASUREMENT:**

In accordance with FASB ASC Topic 820 fair value is defined as the price that **CCEOC** would receive to sell an asset or pay to transfer a liability in a timely transaction with an independent buyer in the principal market, or in the absence of a principal market the most advantageous market for the asset or liability. ASC Topic 820 established a three-tier hierarchy to distinguish between (1) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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**NOTE 9 - FAIR VALUE MEASUREMENT, CONTINUED**

available in the circumstances (unobservable inputs) and to established classification of fair value measurements for disclosure purposes.

Various inputs are used in determining the value of CCEOC's assets or liabilities. The inputs are summarized in the three broad levels listed below:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date.
- Level 2 - Pricing inputs are other than quoted prices included within Level 1, which are either directly or indirectly observable for the asset or liability as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.
- Level 3 - Pricing inputs are unobservable for the asset or liability and include situations where there is little, if any market activity. The inputs into the determination of fair value require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. CCEOC's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the assets/liabilities. All assets/liabilities are considered Level 1 assets/liabilities.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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**NOTE 9 - FAIR VALUE MEASUREMENT, CONTINUED**

The carrying amounts of the assets and the liabilities reported in the Statement of Financial Position approximate fair value because of the terms and relatively short maturity of those financial instruments.

The following table summarizes the valuation of **CCEOC's** financial instruments measured at fair value by the above ASC Topic 820 fair value hierarchy levels as of December 31, 2023 are as follows:

	<u>Carrying Value</u>	<u>Fair Value</u>
Cash and cash equivalents	\$ 129,094	\$ 129,094
Investment	\$ 106,169	\$ 106,169

**NOTE 10 - RISK MANAGEMENT:**

**CCEOC** is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets for which **CCEOC** carries commercial insurance. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated.

**NOTE 11 - LINE OF CREDIT:**

On December 5, 2019, **CCEOC** entered into a revolving line of credit agreement with a bank for any amount up to \$100,000. The line of credit carries an interest rate of 2.10% and interest on the unpaid principal is payable monthly. At December 31, 2023, the line of credit balance was \$99,208. The line of credit is secured by **CCEOC's** certificate of deposit.

**NOTE 12 - CONTINGENCIES:**

**CCEOC** is subject to possible examinations by regulatory agencies who determine compliance with laws and regulations governing grants provided to **CCEOC**. These examinations may result in required refunds by **CCEOC** to agencies and/or program beneficiaries.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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**NOTE 13 - PER DIEM FOR BOARD:**

During the year ended December 31, 2023, no board member received per diem in his/her capacity.

**NOTE 14 - SUBSEQUENT EVENTS:**

**CCEOC** is required to evaluate events or transactions that may have occurred after the statement of financial position date for potential recognition or disclosure in the financial statements. **CCEOC** performed such an evaluation through September 23, 2024, the date which financial statements were available to be issued and noted a subsequent event or transaction that occurred after the statement of financial position date that required recognition or disclosure. Subsequent to year, **CCEOC** sold its interest in the Handleman building which resulted in the relinquishment of the outstanding liability and receipt of the related receivable at December 31, 2023. See NOTES 7 and 15.

**NOTE 15 - NOTE RECEIVABLE:**

On February 1, 2005, **CCEOC** expanded a promissory note for value received with Handelman Associates I, L.L.C. (debtor) who promised to pay in the order of **CCEOC** the principal sum of \$539,000, together with interest accruing on the unpaid balance from the date hereof until the date of maturity at the rate of 4.72% per annum, payable as follows:

Debtor agrees to make annual payments by February 1, 2047 of each year beginning 2007, equal to the lesser of (a) 100% of the Net Free Cash Flow from the rental real estate operations of debtor in the year immediately preceding such February 1 or (b) \$29,332. This promissory note is an unsecured obligation. See NOTE 7 for additional information.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 16 - ACCRUED INTEREST RECEIVABLE:

At December 31, 2023 the outstanding balance of the loan of \$539,000 described in NOTE 7 has cumulative accrued interest amounted to \$410,659. Interest of \$30,235 was earned on the loan during 2023 and the remaining balance of \$380,426 from inception through December 31, 2023.

## **SUPPLEMENTARY INFORMATION**

**Central City Economic Opportunity Corporation**  
Combining Statement of Activities  
For The Year Ended December 31, 2023

**SCHEDULE I**

	General Fund	Community Development Block Grant	Head Start	Louisiana Department of Economic Dev.	Food Services	Early Childhood Opportunity	Agenda for Children	New Orleans Council on Aging	Totals
Operating Activities									
Operating revenues:									
Grants and contracts	\$ -	\$ 89,210	\$ 1,086,954	\$ 454,638	\$ 41,226	\$ -	\$ -	\$ 84,043	\$ 1,756,071
Program services	388	-	-	-	-	-	-	-	388
Contributions	40,698	-	-	-	-	-	-	-	40,698
Miscellaneous	59,735	-	-	-	-	-	-	-	59,735
Total operating income	100,821	89,210	1,086,954	454,638	41,226	-	-	84,043	1,856,892
Expenses:									
Program services	10,174	89,210	1,086,954	458,553	78,034	43,033	6,750	79,666	1,852,374
Supporting services	10,219	-	-	-	-	-	-	-	10,219
Total expenses	20,393	89,210	1,086,954	458,553	78,034	43,033	6,750	79,666	1,862,593
Change in net assets from operating activities	<u>\$ 80,428</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,915)</u>	<u>\$ (36,808)</u>	<u>\$ (43,033)</u>	<u>\$ (6,750)</u>	<u>\$ 4,377</u>	<u>\$ (5,701)</u>

See Independent Auditor's Report on Supplementary Information.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**

COMBINING STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2023

**SCHEDULE II**

	General Fund		Community Dev. Block Grant		Head Start		Louisiana Dept. of Economic Dev.		Food Services	
	Program Service	Supportive Service	Program Service	Supportive Service	Program Service	Supportive Service	Program Service	Supportive Service	Program Service	Supportive Service
Expenses:										
Expenses										
Salaries	\$ (25,763)	\$ -	\$ 33,238	\$ -	\$ 667,614	\$ -	\$ -	\$ -	\$ 31,537	\$ -
Fringe benefits	202	-	3,826	-	100,873	-	-	-	2,412	-
Professional fees	4,759	550	3,904	-	73,822	-	422,705	-	-	-
Supplies	1,399	4,021	28,093	-	52,764	-	8,711	-	44,085	-
Telephone	-	2,013	-	-	46,790	-	-	-	-	-
Postage and shipping	-	-	-	-	285	-	-	-	-	-
Lease expense	-	-	-	-	-	-	25,000	-	-	-
Occupancy expenses	-	-	-	-	48,560	-	-	-	-	-
Insurance	-	-	-	-	40,372	-	-	-	-	-
Maintenance and repairs	7,461	1,192	8,288	-	36,186	-	-	-	-	-
Software	18	-	1,200	-	6,551	-	-	-	-	-
Depreciation expense	18,044	-	-	-	-	-	-	-	-	-
Vehicle	-	2,443	6,656	-	1,414	-	1,075	-	-	-
Printing	-	-	-	-	11,723	-	-	-	-	-
Other expenses	4,054	-	4,005	-	-	-	1,062	-	-	-
Total Expenses	<u>\$ 10,174</u>	<u>\$ 10,219</u>	<u>\$ 89,210</u>	<u>\$ -</u>	<u>\$ 1,086,954</u>	<u>\$ -</u>	<u>\$ 458,553</u>	<u>\$ -</u>	<u>\$ 78,034</u>	<u>\$ -</u>

See Independent Auditor's Report on Supplementary Information.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**

COMBINING STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2023

**SCHEDULE II**

	Early Childhood Opportunity		Agenda for Children		New Orleans Council on Aging		Totals	
	Program Service	Supportive Service	Program Service	Supportive Service	Program Service	Supportive Service	Program Service	Supportive Service
Expenses:								
Expenses								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 53,377	\$ -	\$ 760,003	\$ -
Fringe benefits	4,860	-	6,750	-	4,501	-	123,424	-
Professional fees	33,810	-	-	-	2,612	-	541,612	550
Supplies	3,963	-	-	-	-	-	139,015	4,021
Telephone	-	-	-	-	-	-	46,790	2,013
Postage and shipping	-	-	-	-	-	-	285	-
Lease expense	-	-	-	-	-	-	25,000	-
Occupancy expenses	-	-	-	-	-	-	48,560	-
Insurance	-	-	-	-	-	-	40,372	-
Maintenance and repairs	400	-	-	-	-	-	52,335	1,192
Software	-	-	-	-	-	-	7,769	-
Depreciation expense	-	-	-	-	-	-	18,044	-
Vehicle	-	-	-	-	19,176	-	28,321	2,443
Printing	-	-	-	-	-	-	11,723	-
Other expenses	-	-	-	-	-	-	9,121	-
Total Expenses	<u>\$ 43,033</u>	<u>\$ -</u>	<u>\$ 6,750</u>	<u>\$ -</u>	<u>\$ 79,666</u>	<u>\$ -</u>	<u>\$ 1,852,374</u>	<u>\$ 10,219</u>

See Independent Auditor's Report on Supplementary Information.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**(A NON PROFIT CORPORATION)**

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS**  
**TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER (STATEMENT C)**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

---

**Agency Head Name, Title:** Lisa S. Mazique, Executive Director

<u><b>PURPOSE</b></u>	<u><b>AMOUNT</b></u>
Salary	\$ 81,575
Benefits-insurance	6,967
Benefits-retirements	-
Car allowance	-
Vehicle provided by government (enter amount reported on W-2)	-
Per diem	-
Reimbursements	-
Travel	200
Registration fees	-
Conference travel	-
Housing	-
Unvouchered expenses (example: travel advances, etc.)	-
Special meals	-
Other	<u>17,500</u>
	<u><u>\$ 106,242</u></u>

**Sean M. Bruno**  
**Certified Public Accountants, LLC**

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

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To the Board of Directors  
**Central City Economic Opportunity Corporation**  
New Orleans, 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 **Central City Economic Opportunity Corporation (CCEOC)** (a nonprofit organization) which comprise the statement of financial position as of December 31, 2023 and the related statements of activities, functional expense and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 23, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered **CCEOC'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 **CCEOC's** internal control. Accordingly, we do not express an opinion on the effectiveness of **CCEOC's** internal control.

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*  
(CONTINUED)

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**Report on Internal Control Over Financial Reporting, Continued**

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 *significant deficiency* is a deficiency, or a combination of deficiencies in internal control over financial reporting, that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. 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 CCEOC's financial statements will not be prevented or detected and corrected in a timely basis.

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.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether CCEOC'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 that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2023-001.

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*  
(CONTINUED)

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**CCEOC's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on CCEOC's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. CCEOC's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**Purpose of this Report**

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



**SEAN M. BRUNO**  
**CERTIFIED PUBLIC ACCOUNTANTS, LLC**  
New Orleans, Louisiana

September 23, 2024

## **SCHEDULE OF FINDINGS AND RESPONSES**

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

---

**SCHEDULE I - Financial Statements - Other Matters Finding**

**COMPLIANCE**

**Audit Finding Reference Number**

2023 – 001 – Late Submission of Audit Report

**Criteria**

Pursuant to the requirement of Louisiana Status R.S. 24:513 A. (5)(a)(i), annual financial reports shall be completed within six (6) months of the close of an entity's fiscal year.

**Conditions and Contexts**

The December 31, 2023 audit report was not submitted within the prescribed time frame required by state regulations. The audit report was outstanding beyond the six (6) months pursuant to the Louisiana state requirements.

**Cause**

Management failed to ensure the audit report was issued within the prescribed time frame.

**Questioned Costs**

For purposes of this condition, I have no questioned cost.

**Effect**

**CCEOC** has not complied with the audit requirement of Louisiana Status R.S. 24:513 A. 95)(a)(i).

**Repeat Finding**

Yes. See 2022-001.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**  
**(CONTINUED)**

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**SCHEDULE I - Financial Statements Other - Matters Finding, Continued**

**COMPLIANCE, CONTINUED**

**Audit Finding Reference Number**

2023 – 001 – Late Submission of Audit Report, Continued

**Recommendation**

I recommend that management of **CCEOC** take steps to ensure that the Single Audit is submitted within the prescribed deadlines.

**Management's Response**

**CCEOC** lost its full-time accountant due to budget cuts and has hired an accounting clerk. Voluminous amounts of documents were required for the 2023 audit, creating a number of challenges with timely collection and review. **CCEOC** is working to streamline accounting systems and processes.

**SUMMARY SCHEDULE OF  
PRIOR YEAR FEDERAL AUDIT FINDINGS**

Entity's Name: Central City Economic Opportunity Corporation  
Finding Title: Late Submission of Audit Report  
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): 2022-001

Single Audit Report Year: For the Year Ended December 31, 2023

Initial Year of Finding: 2020

Amount of Questioned Costs in Finding (if applicable): \$ N/A

Page Number (from Single Audit Report): 18

Program Name(s): Head Start  
\_\_\_\_\_  
\_\_\_\_\_

Federal Grantor Agency: U.S. Department of Health and Human Services

CFDA Number(s): 93.600

Status of Questioned Costs (check one):

Resolved: \_\_\_\_\_ Unresolved: \_\_\_\_\_ No Further Action Needed: \_\_\_\_\_  
Not Applicable: ✓

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

N/A

Status of Finding (check one):

Fully Corrected \_\_\_\_\_ Not Corrected ✓  
Partially Corrected \_\_\_\_\_ No Further Action Needed \_\_\_\_\_  
Change of Corrective Action \_\_\_\_\_

Description of Status: (if not corrected or partially corrected, **describe the planned corrective action** and any partial corrective action taken. Include the anticipated completion date, if applicable. If the corrective action has changed since previously reported plan, **provide an explanation.**

CCEOC lost its full-time accountant due to budget cuts and has hired an accounting clerk. Voluminous amounts of documents were required for the 2023 audit, creating a number of challenges with timely collection and review. CCEOC is working to streamline accounting systems and processes.

Preparer's Name: Lisa Mazique, Executive Director Phone Number: (504) 416-5347

Preparer's E-mail Address: Lmazique@CCEOCNO.org

**Entity's Name:** Central City Economic Opportunity Corporation  
**Finding Title:** Minimum Average Daily Attendance Rate  
**"Pass-Through Entity Name," if applicable:** N/A  
**Reference Number(s):** 2022-002  
**Single Audit Report Year:** For the Year Ended December 31, 2023  
**Initial Year of Finding:** 2020  
**Amount of Questioned Costs in Finding (if applicable):** \$ N/A  
**Page Number (from Single Audit Report):** 21  
**Program Name(s):** Head Start  
**Federal Grantor Agency:** U. S. Department of Health and Human Services  
**CFDA Number(s):** 93.600  
**Status of Questioned Costs (check one):**  
 Resolved: \_\_\_\_\_ Unresolved: \_\_\_\_\_ No Further Action Needed: \_\_\_\_\_  
 Not Applicable: ✓  
 Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?  
N/A  
**Status of Finding (check one):**  
 Fully Corrected ✓ Not Corrected \_\_\_\_\_  
 Partially Corrected \_\_\_\_\_ No Further Action Needed \_\_\_\_\_  
 Change of Corrective Action \_\_\_\_\_  
 Description of Status: (if not corrected or partially corrected, **describe the planned corrective action** and any partial corrective action taken. Include the anticipated completion date, if applicable. If the corrective action has changed since previously reported plan, **provide an explanation.**  
N/A

Preparer's Name: Lisa Mazique, Executive Director Phone Number: (504) 416-5347  
 Preparer's E-mail Address: lmazique@CCEOCNO.org

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**SINGLE AUDIT REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

***Sean M. Bruno***  
***Certified Public Accountants, LLC***

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*Sean M. Bruno*  
*Certified Public Accountants, LLC*

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**INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS**

---

To the Board of Directors  
**Central City Economic Opportunity Corporation**  
New Orleans, Louisiana

**Report on the Audit of the Schedule of Expenditures of Federal Awards**

***Opinion***

We have audited the schedule of expenditures of federal awards of **Central City Economic Opportunity Corporation (CCEOC)** as of and for the year ended December 31, 2023, and the related notes (the schedule).

In our opinion, the accompanying schedule of expenditures of federal awards presents fairly, in all material respects, the expenditures of federal awards of **Central City Economic Opportunity Corporation** for the year ended December 31, 2023, 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; 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 the Schedule section of our report.

**INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS,  
CONTINUED**

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***Basis for Opinion, Continued***

We are required to be independent of **Central City Economic Opportunity Corporation** and to meet our other ethical responsibilities, in accordance with the 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 audit opinion.

***Responsibilities of Management for the Schedule***

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

***Auditor's Responsibilities for the Audit of the Schedule***

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is 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, *Government Auditing Standards*, and the Uniform Guidance will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the schedule.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the schedule, 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 schedule.

**INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS,  
CONTINUED**

---

*Auditor's Responsibilities for the Audit of the Schedule, Continued*

- 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 **Central City Economic Opportunity Corporation'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 schedule.

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 Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2024, on our consideration of **CCEOC's** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **CCEOC's** internal control over financial reporting and compliance.



**SEAN M. BRUNO**  
**CERTIFIED PUBLIC ACCOUNTANTS, LLC**  
New Orleans, Louisiana

September 23, 2024

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

<u>PROGRAM</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
<u>Passed through Total Community Action, Inc.:</u>		
Head Start Program	93.600	\$1,086,954
<u>Passed through Louisiana State Department of Elderly Affairs:</u>		
New Orleans Council on Aging, Inc.:		
Special Program for the Aging, Title III, B Supportive Services and Senior Centers	93.044	<u>79,666</u>
<b>Total U. S. Department of Health and Human Services</b>		<u>1,166,620</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>		
<u>Passed through State of Louisiana:</u>		
Department of Education:		
Childhood and Adult Care Food Program	10.558	<u>78,034</u>
<b>Total U.S. Department of Agriculture</b>		<u>78,034</u>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>		
<u>Passed through New Orleans Council on Aging, Inc.:</u>		
Community Development Block Grant/ Entitlement Grant	14.218	67,210
<u>Passed through New Orleans Council on Aging, Inc.:</u>		
Civil Affairs:		
Community Development Block Grant/ Entitlement Grant	14.218	<u>22,000</u>
<b>Total U.S. Department of Housing and Urban Development</b>		<u>89,210</u>
<b>Total Federal Awards</b>		<u>\$1,333,864</u>

The accompanying notes are an integral part of this schedule.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

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NOTE 1 - GENERAL:

**Central City Economic Opportunity Corporation (CCEOC)** was organized to promote and develop economic opportunity to those in need of increased economic opportunity; to promote the education and welfare of the people of the community; and to form special interest groups as it deems necessary to solve special problems of the community.

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Basis of Accounting

The financial statements of **CCEOC** are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America and in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets, 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.

NOTE 2 - MAJOR FEDERAL PROGRAMS:

**CCEOC's** major federal financial assistance programs for the year ended December 31, 2023 was determined based on guidelines established by the Uniform Guidance. The major program for the year ended December 31, 2023 was the Head Start/Early Head Start program.

NOTE 3 - SUB-RECIPIENTS:

**CCEOC** did not disburse any federal funds to sub-recipients during the year ended December 31, 2023.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS,**  
**CONTINUED**

---

**NOTE 4 - INDIRECT COST RATE:**

**CCEOC** has not elected to use the ten percent (10%) de minimis indirect cost rate.

**NOTE 5 - SUBSEQUENT EVENTS:**

**CCEOC** is required to evaluate events or transactions that may have occurred after the statement of financial position date for potential recognition or disclosure in the financial statements. **CCEOC** performed such an evaluation through September 23, 2024, the date which financial statements were available to be issued, and noted no subsequent events or transactions that occurred after the statement of financial position date that required recognition or disclosure.

***Sean M. Bruno***  
***Certified Public Accountants, LLC***

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

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To the Board of Directors  
**Central City Economic Opportunity Corporation**  
New Orleans, 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 **Central City Economic Opportunity Corporation (CCEOC)** (a nonprofit organization) which comprise the statement of financial position as of December 31, 2023 and the related statements of activities, functional expense and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 23, 2024.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered CCEOC'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 CCEOC's internal control. Accordingly, we do not express an opinion on the effectiveness of CCEOC's internal control.

**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*  
(*CONTINUED*)**

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***Report on Internal Control Over Financial Reporting, Continued***

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 *significant deficiency* is a deficiency, or a combination of deficiencies in internal control over financial reporting, that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. 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 CCEOC's financial statements will not be prevented, or detected and corrected in a timely basis.

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.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether CCEOC'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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2023-001.

**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*  
(*CONTINUED*)**

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***CCEOC's Response to Findings***

*Government Auditing Standards* requires the auditor to perform limited procedures on CCEOC's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. CCEOC's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

***Purpose of this Report***

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



**SEAN M. BRUNO**  
**CERTIFIED PUBLIC ACCOUNTANTS, LLC**  
New Orleans, Louisiana

September 23, 2024

**Sean M. Bruno**  
***Certified Public Accountants, LLC***

---

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Society of Louisiana  
Certified Public Accountants

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

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To the Board of Directors  
**Central City Economic Opportunity Corporation**  
New Orleans, Louisiana

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

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

We have audited **Central City Economic Opportunity Corporation's (CCEOC)** compliance with the types of compliance requirements identified as subject to the audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of **CCEOC's** major federal program for the year ended December 31, 2023. **CCEOC's** major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, **CCEOC** complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal program for the year ended December 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 *Governmental Auditing Standards* issues 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.

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

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

We are required to be independent of CCEOC 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 legal determination of CCEOC's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to CCEOC'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 CCEOC'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 judgement made by a reasonable user of the report on compliance about CCEOC's compliance with the requirements of its major federal program as a whole.

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

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*Auditor's Responsibilities for the Audit of Compliance, Continued*

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

- Exercise professional judgement 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 CCEOC'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 CCEOC'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 CCEOC'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 a material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected in a timely basis.

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

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***Report on Internal Control Over Compliance, Continued***

*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 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 a material weakness, as defined above. However, material weaknesses or significant deficiencies 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.

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.



**SEAN M. BRUNO**  
**CERTIFIED PUBLIC ACCOUNTANTS, LLC**  
New Orleans, Louisiana

September 23, 2024

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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**SCHEDULE I - Summary of the Independent Auditor's Results**

*Financial Statements*

- |    |   |                          |
|----|---|--------------------------|
| 1. | Type of auditor's report issued:  | <u><b>Unmodified</b></u> |
| 2. | Did the audit disclose any material weaknesses in internal control over financial reporting?  | <u><b>No</b></u>         |
| 3. | Did the audit disclose any significant deficiencies in internal control over financial reporting that are not considered to be material weaknesses? | <u><b>No</b></u>         |
| 4. | Did the audit disclose any non-compliance which is material to the financial statements of the organization?  | <u><b>Yes</b></u>        |

*Federal Awards*

- |    |  |                          |
|----|--|--------------------------|
| 5. | Did the audit disclose any material weaknesses internal control over major federal programs?   | <u><b>No</b></u>         |
| 6. | Did the audit disclose any significant deficiencies in internal control over major programs that are not considered to be material weaknesses? | <u><b>No</b></u>         |
| 7. | Type of report issued on compliance for major programs:  | <u><b>Unmodified</b></u> |
| 8. | Did the audit disclose any audit findings which the independent auditors are required to report under 2 CFR Section 200.516(a)?                | <u><b>No</b></u>         |

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**  
**(CONTINUED)**

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**SCHEDULE I - Summary of the Independent Auditor's Results, Continued**

9. The following is an identification of major programs:

<u>CFDA Number</u>	<u>Federal Program</u>
93.600	Head Start Program

10. The dollar threshold used to distinguish between Type A and Type B Programs, as described in the Uniform Guidance 2 CFR Section 200.518(b):

<u>Program</u>	<u>Amount</u>
Type A	\$ 750,000

11. Did the auditee qualify as a low-risk auditee under  
The Uniform Guidance 2 CFR Section 200.520?   No
12. Were management letter comments issued?   No

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**  
**(CONTINUED)**

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**SCHEDULE II - Financial Statements - Other Matters Finding**

**COMPLIANCE**

**Audit Finding Reference Number**

2023 – 001 – Late Submission of Audit Report

**Criteria**

Pursuant to the requirement of Louisiana Status R.S. 24:513 A. (5)(a)(i), annual financial reports shall be completed within six (6) months of the close of an entity's fiscal year.

**Conditions and Contexts**

The December 31, 2023 audit report was not submitted within the prescribed time frame required by state regulations. The audit report was outstanding beyond the six (6) months pursuant to the Louisiana state requirements.

**Cause**

Management failed to ensure the audit report was issued within the prescribed time frame.

**Questioned Costs**

For purposes of this condition, I have no questioned cost.

**Effect**

CCEOC has not complied with the audit requirement of Louisiana Status R.S. 24:513 A. 95)(a)(i).

**Repeat Finding**

Yes. See 2022-001.

**CENTRAL CITY ECONOMIC OPPORTUNITY CORPORATION**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**  
**(CONTINUED)**

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**SCHEDULE II - Financial Statements Other - Matters Finding, Continued**

**COMPLIANCE, CONTINUED**

**Audit Finding Reference Number**

2023 – 001 – Late Submission of Audit Report, Continued

**Recommendation**

I recommend that management of CCEOC take steps to ensure that the Single Audit is submitted within the prescribed deadlines.

**Management's Response**

CCEOC lost its full-time accountant due to budget cuts and has hired an accounting clerk. Voluminous amounts of documents were required for the 2023 audit, creating a number of challenges with timely collection and review. CCEOC is working to streamline accounting systems and processes.

**SUMMARY SCHEDULE OF  
PRIOR YEAR FEDERAL AUDIT FINDINGS**

Entity's Name: Central City Economic Opportunity Corporation  
Finding Title: Late Submission of Audit Report  
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): 2022-001

Single Audit Report Year: For the Year Ended December 31, 2023

Initial Year of Finding: 2020

Amount of Questioned Costs in Finding (if applicable): \$ N/A

Page Number (from Single Audit Report): 18

Program Name(s): Head Start

Federal Grantor Agency: U.S. Department of Health and Human Services

CFDA Number(s): 93.600

Status of Questioned Costs (check one):

Resolved: \_\_\_\_\_ Unresolved: \_\_\_\_\_ No Further Action Needed: \_\_\_\_\_  
Not Applicable: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?  
N/A

Status of Finding (check one):

Fully Corrected \_\_\_\_\_ Not Corrected ☒  
Partially Corrected \_\_\_\_\_ No Further Action Needed \_\_\_\_\_  
Change of Corrective Action \_\_\_\_\_

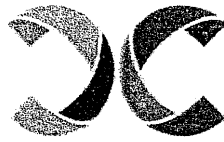
Description of Status: (if not corrected or partially corrected, **describe the planned corrective action** and any partial corrective action taken. Include the anticipated completion date, if applicable. If the corrective action has changed since previously reported plan, **provide an explanation.**  
CCEOC lost its full-time accountant due to budget cuts and has hired an accounting clerk. Voluminous amounts of documents were required for the 2023 audit, creating a number of challenges with timely collection and review. CCEOC is working to streamline accounting systems and processes.

Preparer's Name: Lisa Mazique, Executive Director Phone Number: (504) 416-5347

Preparer's E-mail Address: [Lmazique@CCEOCNO.org](mailto:Lmazique@CCEOCNO.org)

Entity's Name: Central City Economic Opportunity Corporation  
Finding Title: Minimum Average Daily Attendance Rate  
"Pass-Through Entity Name," if applicable: N/A  
Reference Number(s): 2022-002  
Single Audit Report Year: For the Year Ended December 31, 2023  
Initial Year of Finding: 2020  
Amount of Questioned Costs in Finding (if applicable): \$ N/A  
Page Number (from Single Audit Report): 21  
Program Name(s): Head Start  
Federal Grantor Agency: U. S. Department of Health and Human Services  
CFDA Number(s): 93.600  
Status of Questioned Costs (check one):  
Resolved: \_\_\_\_\_ Unresolved: \_\_\_\_\_ No Further Action Needed: \_\_\_\_\_  
Not Applicable: ☒  
Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?  
N/A  
Status of Finding (check one):  
Fully Corrected ☒ Not Corrected \_\_\_\_\_  
Partially Corrected \_\_\_\_\_ No Further Action Needed \_\_\_\_\_  
Change of Corrective Action \_\_\_\_\_  
Description of Status: (if not corrected or partially corrected, describe the planned corrective action and any partial corrective action taken. Include the anticipated completion date, if applicable. If the corrective action has changed since previously reported plan, provide an explanation.  
N/A

Preparer's Name: Lisa Mazique, Executive Director Phone Number: (504) 416-5347  
Preparer's E-mail Address: Lmarzique@CCEOCNO.org



**CENTRAL CITY EOC**

COMMUNITY | ECONOMIC VITALITY | SUSTAINABILITY

2020 JACKSON AVENUE | NEW ORLEANS, LA 70113 | Phone: (504) 524-3484

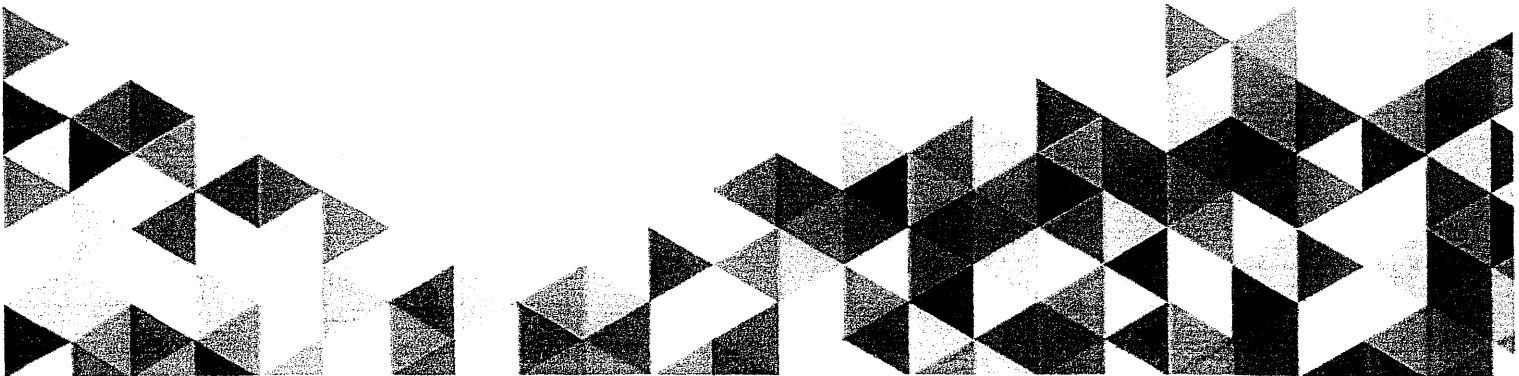
## **Summary of Management Responses**

### **2023-001 Late Submission of Audit Report**

CCEOC lost its full-time accountant due to budget cuts and has hired an accounting clerk. Voluminous amounts of documents were required for the 2023 audit, creating a number of challenges with timely collection and review. CCEOC is working to streamline accounting systems and processes.

Responsible Administrator: Executive Director

Effective Now Ongoing



*Sean M. Bruno*  
*Certified Public Accountants, LLC*

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

To the Board of Directors of **Central City Economic Opportunity Corporation**  
and the Louisiana Legislative Auditor  
New Orleans, Louisiana

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period **January 1, 2023 through December 31, 2023**. **Central City Economic Opportunity Corporation's (CCEOC)** management is responsible for those C/C areas identified in the SAUPs.

**Central City Economic Opportunity Corporation** 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 **January 1, 2023 through December 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 as follows:

***Written Policies and Procedures***

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1. Obtain and inspect **CCEOC's** written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and **CCEOC's** operations.
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.  
**Results: No exceptions were noted.**
  - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.  
**Results: No exceptions were noted.**
  - c) ***Disbursements***, including processing, reviewing, and approving.  
**Results: No exceptions were noted.**

INDEPENDENT ACCOUNTANT'S REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

*Written Policies and Procedures, Continued*

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

**Results: No exceptions were noted.**

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

**Results: Exception noted – Written policies and procedures do not address (3) approval process for employee (s) rate of pay.**

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

**Results: Exception noted – Written policies and procedures do not address (2) standard terms and conditions, (3) legal review, (4) approval process and (5) monitoring process.**

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

**Results: Exception noted – Written policies and procedures do not address (2) dollar thresholds by category of expense.**

- h) ***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.

**Results: No exceptions were noted.**

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

**Results: Not applicable.**

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

**Results: Not applicable.**

INDEPENDENT ACCOUNTANT'S REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

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

**Results: No exceptions were noted.**

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

**Results: Not applicable.**

*Board (or Finance Committee, if applicable)*

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

**Results: Exception noted – The Board did not meet with a quorum in accordance with its bylaws.**

- b) For those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds, if those public funds comprised more than 10% of the entity's collections during the fiscal period.

**Results: No exceptions were noted.**

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

**Results: Not applicable.**

- d) 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.

**Results: Exception noted – The minutes did not reference receipt of written updates on the progress of resolving prior year(s) audit findings.**

INDEPENDENT ACCOUNTANT'S REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

***Bank Reconciliations***

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3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

**Results: No exceptions were noted.**

- b) 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 within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

**Results: No exceptions were noted.**

- c) 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.

**Results: No exceptions were noted.**

***Collections (excluding electronic funds transfers)***

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4. 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).

**Results: This procedure is not applicable. Public funding is received by electronic transfers.**

5. 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 there are no written policies or procedures, then inquire of employees about

INDEPENDENT ACCOUNTANT'S REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

*Collections, (excluding electronic funds transfers) Continued*

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their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

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

**Results: This procedure is not applicable. Public funding is received by electronic transfers. No cash collections.**

- 6. 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.

**Results: This procedure is not applicable. Public funding is received by electronic transfers.**

- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
  - a) Observe that receipts are sequentially pre-numbered.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - c) Trace the deposit slip total to the actual deposit per the bank statement.
  - d) Observe 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).
  - e) Trace the actual deposit per the bank statement to the general ledger.

**Results: This procedure is not applicable. Public funding is received by electronic transfers.**

INDEPENDENT ACCOUNTANT'S REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

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

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8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

**Results: Exception noted – We were unable to observe that at least two employees were involved in initiating a purchase request, approving a purchase and placing an order/making the purchase.**

- b) At least two employees are involved in processing and approving payments to vendors.

**Results: Exception noted – We were unable to observe that at least two employees are involved in processing and approving payments to vendors.**

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

**Results: No exceptions were noted.**

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

**Results: No exceptions were noted.**

- e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

**Results: No exceptions were noted.**

INDEPENDENT ACCOUNTANT'S REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

*Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases), Continued*

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10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
- a) Observe whether the disbursement whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity, and

**Results: No exceptions were noted.**

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

**Results: Exception noted – We were unable to observe evidence of segregation of duties.**

11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy.

**Results: No exceptions were noted.**

*Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)*

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12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

**Results: No exceptions were noted.**

INDEPENDENT ACCOUNTANT'S REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

*Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards), Continued*

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- b) Observe that finance charges and late fees were not assessed on the selected statements.

**Results: Exception noted – Interest of \$250 and a late fee of \$39 was assessed on 1 of the 2 credit card statements selected.**

14. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

**Results: No exceptions were noted.**

*Travel and Travel-Related Expense Reimbursement (excluding card transactions)*

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15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, observe 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)).
  - b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1g).
  - d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**Results: N/A – These procedures were not performed as CCEOC has no travel or travel related expense reimbursements.**

INDEPENDENT ACCOUNTANT'S REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

***Contracts***

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

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

**Results: No exceptions were noted.**

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

**Results: No exceptions were noted.**

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

**Results: No exceptions were noted.**

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

**Results: No exceptions were noted.**

***Payroll and Personnel***

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17. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

18. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #17 above, obtain attendance records and leave documentation for the pay period, and:

INDEPENDENT ACCOUNTANT'S REPORT  
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(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

*Payroll and Personnel, Continued*

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- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

**Results: No exceptions were noted.**

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

**Results: No exceptions were noted.**

- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

**Results: No exceptions were noted.**

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

**Results: No exceptions were noted.**

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

**Results: No exceptions were noted.**

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

**Results: No exceptions were noted.**

INDEPENDENT ACCOUNTANT'S REPORT  
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APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

*Ethics*

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21. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
  - b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

**Results: Not applicable; CCEOC is a non-profit entity.**

22. Inquire and/or observe whether the Agency has appointed an ethics designee as required by R.S. 42:1170.

**Results: Not applicable; CCEOC is a non-profit entity.**

*Debt Service*

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23. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

**Results: Not applicable.**

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

**Results: Not applicable.**

INDEPENDENT ACCOUNTANT'S REPORT  
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APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

*Fraud Notice*

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25. 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.

**Results: Management reported that there were no misappropriations of public funds or assets.**

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

**Results: Exception noted – CCEOC did not post the notice required by R.S. 24:523.1 on its website.**

*Information Technology Disaster Recovery/Business Continuity*

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

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then 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.

**Results: We performed the procedure and discussed the results with management.**

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

**Results: We performed the procedure and discussed the results with management.**

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

**Results: We performed the procedure and discussed the results with management.**

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(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

*Information Technology Disaster Recovery/Business Continuity, Continued*

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28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19. Observe evidence that the selected terminated employees have been removed or disabled from the network.

**Results: We performed the procedure and discussed the results with management.**

29. Using the 5 randomly selected employees/officials from Payroll and Personnel Procedure #17, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S.42:1267. The requirements are as follows

- Hired before June 9, 2020-completed the training; and
- Hired on or after June 9, 2020-completed the training within 30 days of initial service or employment

**Results: We performed the procedures and discussed the results with management.**

*Prevention of Sexual Harassment*

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30. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

**Results: Not applicable; CCEOC is a non-profit entity.**

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

**Results: Not applicable; CCEOC is a non-profit entity.**

32. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
- a) Number and percentage of public servants in the agency who have completed the training requirements.
  - b) Number of sexual harassment complaints received by the agency;

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(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

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

**Prevention of Sexual Harassment, Continued**

- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

**Results: Not applicable; CCEOC is a non-profit entity.**

We were engaged by **Central City Economic Opportunity Corporation** 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 **Central City Economic Opportunity Corporation** and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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



SEAN M. BRUNO  
CERTIFIED PUBLIC ACCOUNTANTS, LLC  
New Orleans, Louisiana

November 30, 2024

***Sean M. Bruno***  
***Certified Public Accountants, LLC***

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2020 JACKSON AVENUE | NEW ORLEANS, LA 70113 | Phone: (504) 524-3484

## Summary of Management Responses to 2023 AUP exceptions

1.

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

**Results: Exception noted - Written policies and procedures do not address (3) approval process for employee (s) rate of pay.**

Management response: CCEOC programs are federally funded, cost reimbursed and fixed annually. Rates of pay for employees are set by position, with new hires earning rates paid to incumbents. In the event of a federal allowance for a cost of living adjustment (COLA), all incremental staff pay increases are awarded via our grantor, applied during the contract year and carried forward in perpetuity. CCEOC Board authorizations of annual contract renewals reflect grant award allocations (inclusive of employee pay rates and program expenses) as awarded and approved by grantor.

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

**Results: Exception noted - Written policies and procedures do not address (2) standard terms and conditions, (3) legal review, (4) approval process and (5) monitoring process.**

Management response: CCEOC social service programs have been continuously funded for decades by a sole source (Total Community Action and New Orleans Council on Aging). As a sub-grantee for federal awards, CCEOC's routine agreements do not require legal review, as scope, and monitoring are inherent to said contracts by grantor. CCEOC Board approves all contracts annually, as required.

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

**Results: Exception noted - Written policies and procedures do not address (2) dollar thresholds by category of expense.**

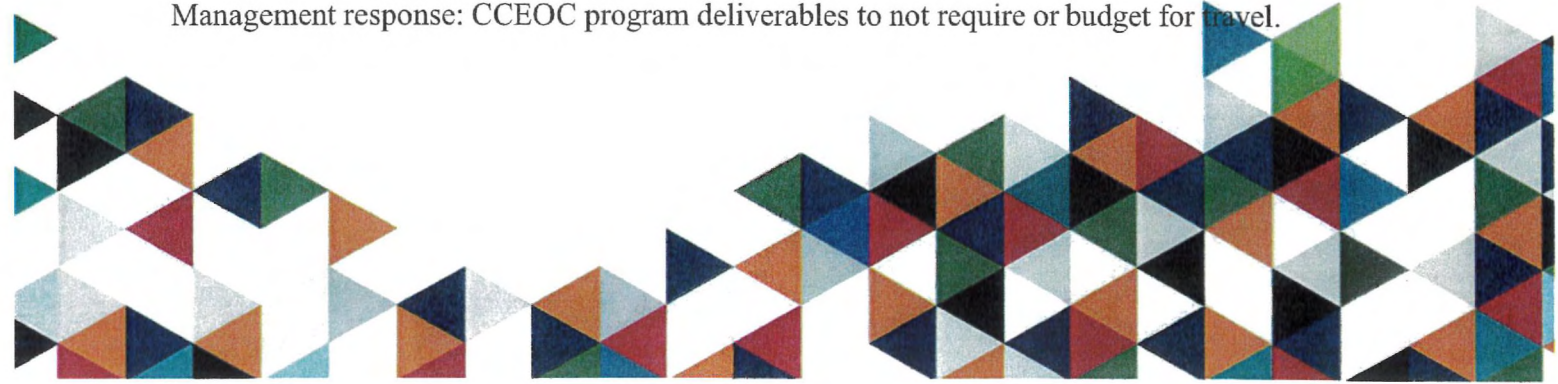


## CENTRAL CITY EOC

COMMUNITY | ECONOMIC VITALITY | SUSTAINABILITY

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Management response: CCEOC program deliverables to not require or budget for travel.





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**2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:**

**a) Observe that board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws or other equivalent document.**

**Results: Exception noted - The Board did not meet with a quorum in accordance with its bylaws.**

Management response:

The CCEOC Board of Directors meet bi-monthly in accordance with its bylaws. Meetings were held as follows, with two instances without quorum:

January 11, 2023 - Meeting held on 01-25-23 Quorum Met

March 8, 2023 - Meeting held on 04-19-2023 - Quorum met

May 10, 2023- No Quorum established

July 12, 2023 - Meeting held on 08-15-2023 - Quorum Met

September 13, 2023 -No Quorum Established

November 8, 2023 - Meeting held on 11-09-2023 - Quorum Met

**d) 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. •**

**Results: Exception noted - The minutes did not reference receipt of written updates on the progress of resolving prior year(s) audit findings.**

Management response: Findings are routinely addressed as agency performance measures in reports to the CCEOC Board of Directors as presented by the Executive Director and program staff.





## CENTRAL CITY EOC

COMMUNITY | ECONOMIC VITALITY | SUSTAINABILITY

2020 JACKSON AVENUE | NEW ORLEANS, LA 70113 | Phone: (504) 524-3484

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

**Results: Exception noted - We were unable to observe that at least two employees were involved in initiating a purchase request, approving a purchase and placing an order/making the purchase.**

Management response: CCEOC ensures segregation of duties as follows: CCEOC program directors make request of CCEOC procurement manager, procurement manager prices and prepares purchase order/invoice for Executive Director approval, upon approval, procurement manager makes purchase, Accounting Department issues payment, reconciles expenses.

b) At least two employees are involved in processing and approving payments to vendors.

**Results: Exception noted - We were unable to observe that at least two employees are involved in processing and approving payments to vendors.**

Management response: CCEOC ensures segregation of duties as follows: CCEOC program directors make request of CCEOC procurement manager, procurement manager prices and prepares purchase order/invoice for Executive Director approval, upon approval, procurement manager makes purchase, Accounting Department issues payment, reconciles expenses.





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10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

**Results: Exception noted- We were unable to observe evidence of segregation of duties.**

Management response: CCEOC ensures segregation of duties as follows: CCEOC program directors make request of CCEOC procurement manager, procurement manager prices and prepares purchase order/invoice for Executive Director approval, upon approval, procurement manager makes purchase, Accounting Department issues payment, reconciles expenses.

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

b) Observe that finance charges and late fees were not assessed on the selected statements.

**Results: Exception noted - Interest of \$250 and a late fee of \$39 was assessed on 1 of the 2 credit card statements selected.**

Management response:

Due to cash reimbursement nature of its programs, CCEOC experiences cash periodic cash flow problems and may incur fees at times.

26. Observe that the entity has posted, on its premises and website, the notice required by R.S.

24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

**Results: Exception noted - CCEOC did not post the notice required by R.S. 24:523.1 on its website.**

Management response:

CCEOC has notice posted onsite, yet has a dated website and has engaged a new entity to manage and update in 2025.

