

LASALLE COMMUNITY ACTION ASSOCIATION, INC.

**ANNUAL FINANCIAL REPORT
DECEMBER 31, 2023**

LASALLE COMMUNITY ACTION ASSOCIATION, INC.

Financial Report
Year Ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
LaSalle Community Action Association, Inc.

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of LaSalle Community Action Association, Inc., 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 present fairly, in all material respects, the financial position of LaSalle Community Action Association, Inc. 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 Opinions

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 and the *Louisiana Governmental Audit Guide*. 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 LaSalle Community Action Association, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 LaSalle Community Action Association, Inc.'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 judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of LaSalle Community Action Association, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about LaSalle Community Action Association, Inc.'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 Schedule of Compensation, Benefits and Other Payments to Executive Director, the accompanying combining financial statements, and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States

of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 3, 2024, on our consideration of LaSalle Community Action Association, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of LaSalle Community Action Association, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering LaSalle Community Action Association, Inc.'s internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated September 3, 2024, on the results of our state-wide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's state-wide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

Thomas, Cunningham, Broadway + Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

September 3, 2024

BASIC FINANCIAL STATEMENTS

LaSalle Community Action Association, Inc.
Statement of Financial Position
For the Year ended December 31, 2023

Assets	
Current Assets:	
Cash	\$ 1,243,528
Due from grantors	294,039
Other receivables	<u>25,471</u>
Total Current Assets	<u>\$ 1,563,038</u>
Non-Current Assets:	
Property & Equipment	\$ 1,722,436
Accumulated Depreciation	<u>(897,535)</u>
Net Property & Equipment	<u>\$ 824,901</u>
Total Assets	<u>\$ 2,387,939</u>
Liabilities and Net Assets	
Current Liabilities:	
Cash Overdraft	\$ 777,153
Accounts Payable	3,378
Accrued Liabilities	245,501
Due to grantors	<u>2,400</u>
Total Current Liabilities	\$ 1,028,432
Net Assets:	
Without donor restrictions	<u>1,359,507</u>
Total Liabilities and Net Assets	<u>\$ 2,387,939</u>

See independent auditor's report and notes to financial statements.

LaSalle Community Action Association, Inc.
Statement of Activities
For the Year ended December 31, 2023

Unrestricted Revenues:	
Federal/State Grants	\$ 9,560,000
Support-	
Miscellaneous Revenues	172,062
In-Kind Contributions	<u>1,032,206</u>
Total Unrestricted Revenues	<u>\$ 10,764,268</u>
Expenses:	
Program Expenses	\$ 10,442,162
General and Administrative Expenses	<u>88,897</u>
Total Expenses	<u>\$ 10,531,059</u>
Change in Net Assets	233,209
Net Assets - Beginning of Year*	<u>1,126,298</u>
Net Assets - End of Year	<u><u>\$ 1,359,507</u></u>

*Restated see Note 12.

LaSalle Community Action Association, Inc.
Statement of Cash Flows
For the Year ended December 31, 2023

Operating Activities:

Change in Net Assets	\$	233,209
Adjustments to reconcile change in net assets to net cash provided by operating activities-		
Depreciation		90,391
(Increase) decrease in operating assets-		
Due from grantors		(61,998)
Other Receivable		(14,336)
Increase (Decrease) in operating liabilities-		
Accounts Payable		83,299
Accrued liabilities		<u>19,178</u>
Net Cash Provided by Operating Activities	\$	349,743

Investing Activities:

Payments for property and equipment		<u>(123,353)</u>
Net Increase in Cash	\$	226,390
Cash as of Beginning of Year		<u>239,985</u>
Cash as of End of Year	\$	<u><u>466,375</u></u>

Reconciliation of Cash:

Cash & Cash Equivalents	\$	1,243,528
Cash Overdrafts		<u>(777,153)</u>
Net cash at End of Year	\$	<u><u>466,375</u></u>

See independent auditor's report and notes to financial statements.

LaSalle Community Action Association, Inc.
Statement of Functional Expenses
For the Year ended December 31, 2023

	<u>Program Services</u>	<u>Support Services</u> General and Administrative	<u>Total Expenses</u>
Personnel Costs			
Personnel	\$ 4,378,139	\$ 40,896	\$ 4,419,035
Fringe Benefits	<u>404,610</u>	<u>3,139</u>	<u>407,749</u>
 Total Personnel Costs	 <u>\$ 4,782,749</u>	 <u>\$ 44,035</u>	 <u>\$ 4,826,784</u>
Other Expenses			
Workmen's Compensation Insurance	\$ 86,235	\$ 547	86,782
Travel	170,933	1,111	172,044
Administrative	54,944	46	54,990
Program Costs	1,114,421	931	1,115,352
Materials	551,654	461	552,115
Equipment and Maintenance	591,505	6,490	597,995
Occupancy	218,261	1,069	219,330
Telephone	53,442	777	54,219
Insurance	180,738	2,081	182,819
Vehicle Operation	64,937	120	65,057
Supplies and postage	154,549	799	155,348
Participant Stipends	5,003	4	5,007
Utilities	202,399	480	202,879
Professional Services	66,893	103	66,996
Food and related supplies	279,913	465	280,378
Miscellaneous	273,396	699	274,095
Client and assistance payments	466,563	12,218	478,781
Grantee in-kind expenses	1,031,344	862	1,032,206
Depreciation	77,746	12,645	90,391
Interest	3	1,052	1,055
Capital Outlay	<u>14,534</u>	<u>1,902</u>	<u>16,436</u>
Total Other Expenses	<u>\$ 5,659,413</u>	<u>\$ 44,862</u>	<u>\$ 5,704,275</u>
 Total Functional Expenses	 <u>\$ 10,442,162</u>	 <u>\$ 88,897</u>	 <u>\$ 10,531,059</u>

See independent auditor's report and notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

LASALLE COMMUNITY ACTION ASSOCIATION, INC.
Notes to Financial Statements
December 31, 2023

INTRODUCTION

LaSalle Community Action Association, Inc. (Association) is a nonprofit corporation incorporated under the laws of the State of Louisiana. The Association is governed by a Board of Directors duly elected by members. The Association operates as a community action Association administering various federal and state funded programs designed to provide assistance to the poor and disadvantaged in various parishes in Louisiana. The following programs are administered by the Association:

Community Services Block Grant - Administers programs designed to provide services and activities that will have a measurable impact on causes of poverty in the community. Funding is provided by federal funds passed through the Louisiana Workforce Commission.

Emergency Food and Shelter - Provides emergency food and shelter in areas of high need throughout the community to persons based upon their unemployment or poverty status. Funding is provided by U.S. Department of Homeland Security FEMA funds passed through a local governing board.

Weatherization Program - Provides assistance to qualifying individuals to make their home more energy efficient. Funding is provided by the Departments of Energy and Health and Human Services passed through the Louisiana Housing Finance Association, who in turn contracts with the Association to perform the services.

Head Start Program - Provides comprehensive early child development for disadvantaged and handicapped preschool children and their families. Funding is provided by federal funds from the U.S. Department of Health and Human Services.

Head Start Food Reimbursement Program - Provides a food service program in coordination with the Head Start and Summer Child Care Assistance Programs. Funding is provided by the federal funds from U.S.D.A. passed through the Louisiana Department of Education.

Section 8 Housing Assistance Program - Provides a housing subsidy program by making payments to participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing for low-income families at rents they can afford. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the occupant family's required contribution toward the rent. Funding is provided by the U. S. Department of Housing and Urban Development to the Catahoula Association, who in turn contracts with the Association to perform the services.

Workforce Investment Opportunity Act - Provides job training opportunities to qualifying individuals. Funding is provided by the Department of Labor passed through the Louisiana Workforce Commission to the LaSalle Parish Association, who in turn contracts with the Association to perform the services.

LIHEAP Energy Assistance - Provides to qualifying individuals assistance in meeting their utility bills. Funding is provided by the Department of Health and Human Services passed through the Louisiana Housing Finance Association, who in turn contracts with the Association to perform the services.

LASALLE COMMUNITY ACTION ASSOCIATION, INC.
Notes to Financial Statements
December 31, 2023

Energy Special Needs - Provides to qualifying individuals assistance in meeting their utility bills. Funding is provided by the Department of Health and Human Services passed through the Louisiana Housing Finance Association.

General Assistance and Other Programs - Accounts for miscellaneous administrative activities and other small grants of the association that are not charged to another fund. Revenue consists of miscellaneous receipts collected during the year.

1. Summary of Significant Accounting Policies:

Reporting Entity-

The accounting and reporting policies of the Association conform to generally accepted accounting principles as applicable to non-profit organizations and are applied on a consistent basis between periods.

The following is a summary of certain significant accounting policies and practices:

A. Financial Statement Presentation - The Association has adopted FASB Financial Accounting Standards Update 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Under FASB ASU 2016-14, the Association is required to report information regarding its financial position and activities according to the following net asset classifications:

- Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Association's management and the board of directors. The revenues received and expenses incurred in conducting the mission of the Association are included in this category. The Association has determined that any donor-imposed restrictions for current or developing programs and activities are generally met within the operating cycle of the Association; therefore, the Association's policy is to record these net assets as without donor restrictions.
- Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Association or by the passage of time. Other donor restrictions are perpetual in nature; whereby, the donor has stipulated the funds be maintained in perpetuity.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statements of Activities and Changes in Net Assets.

B. Basis of Accounting - The Association uses the accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when they are incurred. Purchases of various operating supplies are regarded as expenditures at the time purchased.

LASALLE COMMUNITY ACTION ASSOCIATION, INC.
Notes to Financial Statements
December 31, 2023

- C. Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures 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.
- D. Capital Assets - Assets are recorded at cost if purchased or at market value at time of donation. Depreciation on all exhaustible fixed assets is charged as an expense against the operations of the Association. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets ranging from 3 to 50 years. The Association maintains a threshold level of \$5,000 or more for capitalizing capital assets. The federal government has a reversionary interest in property purchased with federal funds. Its disposition as well as the ownership of any proceeds therefrom is subject to federal regulations.
- E. Income Taxes - The Association is a non-profit organization that is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as “other than a private foundation”. Therefore, no provision for income taxes has been made in the financial statements, but the Association is required to file an annual information tax return. The Association’s Form 990, *Return of Organization Exempt from Income Tax*, for the years ending 2019 and beyond remains subject to examination by the Internal Revenue Service, generally for three years after they were filed.
- F. Unpaid Accumulated Vacation Pay - Employees may accrue vacation leave and sick pay. Upon an employee’s separation of employment, earned and/or accrued leave will be paid up to a maximum of 80 hours, but accumulated sick leave is forfeited. The balance of unpaid accumulated vacation pay as of December 31, 2023 was \$53,971.
- G. Cash and Equivalents - For the purpose of the statements of cash flows, the Association considers all unrestricted highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.
- H. Functional Allocation of Expenses - Functional expenses are allocated between program services and supporting services. Supporting services include general and administrative activities which are those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Association. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function, which require allocation on a reasonable basis that is consistently applied. Salaries, payroll taxes, and benefits are allocated on the basis of estimates of time and effort.
- I. Revenue Recognition – Effective July 1, 2019, the Association adopted the requirements of the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) NO. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU and all subsequently issued clarifying ASUs replaced most revenue recognition guidance in U.S. GAAP and addresses how an entity should recognize revenue derived from various contracts with customers that generate revenue, along with requiring additional disclosures related to the nature, amount, and timing of revenue and cash flows arising from contracts

LASALLE COMMUNITY ACTION ASSOCIATION, INC.
Notes to Financial Statements
December 31, 2023

with customers. Primarily, the update requires the organization to evaluate the various performance obligations related to its contracts with customers, allocate the transaction price to the various performance obligations, and recognize revenue as performance obligations are satisfied. The standard was adopted using the modified retrospective method.

Effective July 1, 2019, the Association adopted the requirements of the FASB ASU No. 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The ASU clarifies and improves the guidance for contributions received and contributions made and provides guidance to organizations on how to account for transactions as contributions or exchange transactions. In addition, it clarifies whether a contribution is conditional.

In accordance with the above standards, the Association recognizes grant revenue as exchange transactions, and grant revenue is recognized as it is earned in accordance with approved grant contracts. Based on the Association's evaluation process and review of its grant contracts, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standards.

2. Cash and Cash Equivalents:

The cash and cash equivalents of the Association are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Association will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance, or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Association that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Association's name.

Cash is held separately by each of the Association's funds. At December 31, 2023, cash totaled \$466,375 (book balances). Bank account balances at December 31, 2023, totaled \$541,333. The amount was insured by \$250,000 of federal depository insurance and the remaining balance of \$291,333 is secured by pledged securities.

LASALLE COMMUNITY ACTION ASSOCIATION, INC.
Notes to Financial Statements
December 31, 2023

3. Fixed Assets:

The following is a summary of changes in fixed assets for LaSalle Community Action Association for the period ended December 31, 2023:

	Estimated Depreciable Life	Balance 12/31/22	Additions	Deletions	Balance 12/31/23
Buildings	30 years	\$ 681,875	\$ 0	\$ 0	\$ 681,875
Equipment & Furniture	3-10 years	2,135,320	123,353	1,218,112	1,040,561
Accumulated Depreciation		<u>(2,025,256)</u>	<u>(90,391)</u>	<u>(1,218,112)</u>	<u>(897,535)</u>
Total Fixed Assets, Net		<u>\$ 791,939</u>	<u>\$ 32,962</u>	<u>\$ 0</u>	<u>\$ 824,901</u>

Depreciation expense was \$90,391 for the year ended December 31, 2023.

4. Asset Liquidity and Availability of Resources:

The Association regularly monitors the availability of resources required to meet its operating needs and other contractual commitments. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Association considers all expenditures related to its regular, recurring, and ongoing program service activities, as well as the conduct of services undertaken to support those activities, to be general expenditures. The Association anticipates revenues to be sufficient to meet its general expenditure needs.

As of December 31, 2023, the following financial assets could be made easily available within one year of the statement of financial position date to meet general expenditures:

Cash, cash equivalents and restricted cash	\$ 466,375
Revenue receivables (current)	<u>294,039</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$760,414</u>

As part of its liquidity management, the Association has a policy to structure its financial assets to be made available as general expenditures, liabilities, and other obligations become due. This policy includes utilization of resources such as established lines of credit described in Note 5, as well as management of major receivables.

5. Short-Term Debt:

The Association entered into an agreement with Louisiana Housing Corporation for a revolving loan agreement for the Weatherization Assistance Program for an advance payment to ensure efficient operation of the program with minimal financial impediment. At December 31, 2023, the loan balance was \$0.

LASALLE COMMUNITY ACTION ASSOCIATION, INC.
Notes to Financial Statements
December 31, 2023

6. Retirement:

All employees of the Association participate in the Social Security System. The Association and its employees both contribute 6.2% of each employee's salary to the System. Retirement amounts are paid to the Social Security System, which is responsible for administration and disbursing benefits. The Association has no liability for any deficit the system may incur.

The Association maintains a retirement account for its employees. The Association contributes 2% of the participating employee compensation to the retirement account.

7. Compensation Paid to Members of the Board of Directors:

Members of the Board of Directors of the Association receive no compensation and are reimbursed only for any expenses incurred relating to the Association's business, which must have appropriate supporting documentation.

8. In-Kind Revenue and Expenses:

The Head Start Program requires the Association to contribute at least 20% of the program's operating expenses which can be accomplished by soliciting contributions from businesses, organizations, and individuals for the use of facilities, services, materials, and food. The use of contributed facilities is valued at the fair rental value of the space used. Contributed services, materials, and food are valued at what these items would cost if not provided by donation. Contributed facilities, services, materials, and food for the Head Start Program are reflected in the financial statements as Grantee in-kind contributions and expenses at fair value, which amounted to \$1,032,206 for the year ended December 31, 2023.

9. Pending Litigation:

The Association has no legal action or threatening litigation pending at December 31, 2023.

10. Related Party Transactions:

There were no related party transactions for the period ended December 31, 2023.

11. Concentrations and Economic Dependency:

The Association receives the majority of its revenue from funds provided through federal and state grants administered by the State of Louisiana. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Association receives could be reduced significantly. Either of these conditions could have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Association will receive in the next fiscal year.

LASALLE COMMUNITY ACTION ASSOCIATION, INC.
Notes to Financial Statements
December 31, 2023

12. Restatement of Prior Period Net Assets:

For the year ended December 31, 2022, accounts payable/expenditures were overstated. The effect of the misstatement was an increase of \$87,625 to the beginning fund balance at January 1, 2023, which resulted in net assets at December 31, 2024, of \$1,126,298.

13. Subsequent Events:

Management has evaluated events through September 3, 2024, the date on which the financial statements were available to be issued and determined that there are no events that require disclosure.

SUPPLEMENTARY INFORMATION

LaSalle Community Action Association, Inc.
Combining Schedule of Financial Position
For the Year ended December 31, 2023

	Community Service Block Grant	Emergency Food and Shelter	Weatherization Assistance	Head Start	Child and Adult Care Food Program	Head Start Miscellaneous Projects	HUD Section 8	WIA	LIHEAP Energy Assistance	Strategies to Empower People	General Services	Total
<u>Assets</u>												
Current Assets:												
Cash	\$ 14,454	\$ 22,814	\$ 66,765	\$ 509,129	\$ 3,361	\$ 11,317	\$ 41,362	\$ 217,152	\$ 62,400	\$ 23	\$ 294,751	\$ 1,243,528
Due from grantors	-	-	178,124	-	22,356	-	26,250	-	67,309	-	-	294,039
Other receivables	-	-	361	1,249	-	-	-	13,665	-	-	10,196	25,471
Total Current Assets	<u>\$ 14,454</u>	<u>\$ 22,814</u>	<u>\$ 245,250</u>	<u>\$ 510,378</u>	<u>\$ 25,717</u>	<u>\$ 11,317</u>	<u>\$ 67,612</u>	<u>\$ 230,817</u>	<u>\$ 129,709</u>	<u>\$ 23</u>	<u>\$ 304,947</u>	<u>\$ 1,563,038</u>
Property & Equipment:												
Property & Equipment:	\$ -	\$ -	\$ 84,325	\$ 1,498,426	\$ -	\$ 1,349	\$ -	\$ -	\$ 31,800	\$ -	\$ 106,536	\$ 1,722,436
Accumulated Deprecation	-	-	(67,933)	(784,025)	-	(1,349)	-	-	(12,461)	-	(31,767)	(897,535)
Net Property & Equipment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,392</u>	<u>\$ 714,401</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,339</u>	<u>\$ -</u>	<u>\$ 74,769</u>	<u>\$ 824,901</u>
Total Assets	<u>\$ 14,454</u>	<u>\$ 22,814</u>	<u>\$ 261,642</u>	<u>\$ 1,224,779</u>	<u>\$ 25,717</u>	<u>\$ 11,317</u>	<u>\$ 67,612</u>	<u>\$ 230,817</u>	<u>\$ 149,048</u>	<u>\$ 23</u>	<u>\$ 379,716</u>	<u>\$ 2,387,939</u>
<u>Liabilities and Net Assets</u>												
Current Liabilities:												
Cash Overdraft	\$ 24,845	\$ -	\$ 169,032	\$ 107,705	\$ 7,578	\$ -	\$ 29,595	\$ 191,722	\$ 230,114	\$ 567	\$ 15,995	\$ 777,153
Accounts Payable	-	-	-	-	-	-	-	-	-	-	3,378	3,378
Accrued Liabilities	18,685	-	15,210	155,564	10,984	-	957	31,261	9,916	7	2,917	245,501
Due to grantors	-	-	-	-	-	-	2,400	-	-	-	-	2,400
Total Current Liabilities	<u>\$ 43,530</u>	<u>\$ -</u>	<u>\$ 184,242</u>	<u>\$ 263,269</u>	<u>\$ 18,562</u>	<u>\$ -</u>	<u>\$ 32,952</u>	<u>\$ 222,983</u>	<u>\$ 240,030</u>	<u>\$ 574</u>	<u>\$ 22,290</u>	<u>\$ 1,028,432</u>
Net Assets:												
Without donor restrictions	\$ (29,076)	\$ 22,814	\$ 77,400	\$ 961,510	\$ 7,155	\$ 11,317	\$ 34,660	\$ 7,834	\$ (90,982)	\$ (551)	\$ 357,426	\$ 1,359,507
Total Liabilities and Net Assets	<u>\$ 14,454</u>	<u>\$ 22,814</u>	<u>\$ 261,642</u>	<u>\$ 1,224,779</u>	<u>\$ 25,717</u>	<u>\$ 11,317</u>	<u>\$ 67,612</u>	<u>\$ 230,817</u>	<u>\$ 149,048</u>	<u>\$ 23</u>	<u>\$ 379,716</u>	<u>\$ 2,387,939</u>

LaSalle Community Action Association, Inc.
Combining Statement of Activities
For the Year ended December 31, 2023

	Community Service Block Grant	Emergency Food and Shelter	Weatherization Assistance	Head Start	Child and Adult Care Food Program	Head Start Miscellaneous Projects	HUD Section 8	WIA	LIHEAP Energy Assistance	Strategies to Empower People	General Services	Total
Revenues and Other Support:												
Contracted revenue - grants	\$ 523,647	\$ 163,970	\$ 1,289,294	\$ 4,744,112	\$ 346,428	\$ 2,264	\$ 355,695	\$ 1,573,340	\$ 483,679	\$ -	\$ 77,571	\$ 9,560,000
Miscellaneous Revenues	-	-	-	-	1,498	23,287	1,200	2,513	1,234	-	142,330	172,062
Grantee in-kind contributions	-	-	-	1,032,206	-	-	-	-	-	-	-	1,032,206
Total Unrestricted Revenues	\$ 523,647	\$ 163,970	\$ 1,289,294	\$ 5,776,318	\$ 347,926	\$ 25,551	\$ 356,895	\$ 1,575,853	\$ 484,913	\$ -	\$ 219,901	\$ 10,764,268
Expenses:												
Personnel	\$ 291,120	\$ -	\$ 458,183	\$ 2,698,640	\$ 241,489	\$ -	\$ 22,625	\$ 397,279	\$ 276,721	\$ -	\$ 32,978	\$ 4,419,035
Fringe Benefits	30,205	-	41,844	247,193	22,800	-	1,919	34,925	25,748	-	3,115	407,749
Workmen's Compensation Insurance	3,701	-	22,665	38,980	3,786	-	486	10,151	6,538	-	475	86,782
Travel	20,104	-	8,781	46,690	-	-	1,149	87,564	6,788	-	968	172,044
Administrative	1,563	-	845	-	-	235	28	50,631	1,688	-	-	54,990
Program Costs	38,417	936	140,290	206,827	-	27,992	7	700,779	104	-	-	1,115,352
Materials	-	-	491,963	14,889	-	-	78	22,520	22,665	-	-	552,115
Equipment and Maintenance	23,629	-	15,285	529,663	-	-	769	18,562	4,091	-	5,996	597,995
Occupancy	32,485	-	4,240	118,218	-	-	5,920	52,150	5,430	-	887	219,330
Telephone	21,420	-	7,570	-	-	-	532	18,575	5,390	-	732	54,219
Insurance	8,367	-	29,334	122,632	1,603	-	270	9,784	8,899	-	1,930	182,819
Vehicle Operation	1,949	-	-	62,821	-	-	-	-	221	-	66	65,057
Supplies and postage	10,479	640	10,381	67,715	358	-	3,569	37,679	23,857	-	670	155,348
Participant Stipends	-	-	-	327	-	-	-	4,680	-	-	-	5,007
Utilities	17,742	-	1,947	114,379	-	-	3,536	52,623	12,341	-	311	202,879
Professional Services	3,250	-	17,787	29,102	2,160	-	537	5,589	8,524	-	47	66,996
Food and related supplies	40	-	-	222,078	58,029	-	-	-	-	-	231	280,378
Miscellaneous	5,039	2,668	12,628	229,083	-	756	2,684	16,378	4,389	-	470	274,095
Client and assistance payments	14,604	155,928	-	-	-	-	296,421	-	-	-	11,828	478,781
Grantee in-kind expenses	-	-	-	1,032,206	-	-	-	-	-	-	-	1,032,206
Depreciation	545	-	4,354	66,007	-	-	68	235	6,602	-	12,580	90,391
Interest	-	-	-	-	-	-	-	-	3	-	1,052	1,055
Capital Outlay	1,533	-	236	-	-	-	10,780	1,061	936	-	1,890	16,436
Total Expenses	\$ 526,192	\$ 160,172	\$ 1,268,333	\$ 5,847,450	\$ 330,225	\$ 28,983	\$ 351,378	\$ 1,521,165	\$ 420,935	\$ -	\$ 76,226	\$ 10,531,059
Change in Net Assets	\$ (2,545)	\$ 3,798	\$ 20,961	\$ (71,132)	\$ 17,701	\$ (3,432)	\$ 5,517	\$ 54,688	\$ 63,978	\$ -	\$ 143,675	\$ 233,209
Net Assets - Beginning of Year *	(26,531)	19,016	56,439	1,032,642	(10,546)	14,749	29,143	(46,854)	(154,960)	(551)	213,751	1,126,298
Net Assets - End of Year	<u>\$ (29,076)</u>	<u>\$ 22,814</u>	<u>\$ 77,400</u>	<u>\$ 961,510</u>	<u>\$ 7,155</u>	<u>\$ 11,317</u>	<u>\$ 34,660</u>	<u>\$ 7,834</u>	<u>\$ (90,982)</u>	<u>\$ (551)</u>	<u>\$ 357,426</u>	<u>\$ 1,359,507</u>

*Restated See Note 12.

LaSalle Community Action Association, Inc.
Schedule of Compensation, Benefits and Other Payments to Executive Director
For the Year ended December 31, 2023

Executive Director - Dorothy C. Oliver

Salary	\$	100,937
Benefits - Insurance		2,556
Benefits - Retirement/Social Security		2,035
Reimbursements		1,186
Travel		<u>5,952</u>
Total	\$	<u>112,666</u>

See independent auditor's report and notes to financial statements.

LaSalle Community Action Association, Inc.
 Schedule of Expenditures of Federal Awards
 For the Year ended December 31, 2023

	Assistance Listing Number	2023 Expenditures
Department of Agriculture:		
LA Dept. of Education/Child and Adult Care Food Program	10.558	\$ <u>346,428</u>
Department of Health and Human Services:		
U.S. Treasury/Head Start	93.600	\$ 4,744,112
LA Housing Finance Agency/Temporary Energy Assistance	93.558	483,679
LA Workforce Commission/Community Services Block Grant Programs-		
Entitlement Grants	93.569	<u>523,647</u>
Total Department of Health and Human Services		\$ <u>5,751,438</u>
Department of Housing and Urban Development:		
Catahoula Parish Police Jury/Lower Income Housing Program (Section 8 - Existing Housing and State Agency Program)	14.871	\$ <u>355,695</u>
Department of Labor:		
Louisiana Workforce Commission/LaSalle Parish Police Jury Workforce Investment Act-		
Adult	17.258	\$ 759,291
Youth	17.259	416,970
Dislocated Workers	17.278	<u>397,077</u>
Total Department of Labor		\$ <u>1,573,338</u>
Department of Energy:		
LA Housing Finance Agency- Weatherization Assistance Program	81.042	\$ <u>1,289,294</u>
Federal Emergency Management Agency:		
Emergency Food & Shelter National Board Program	97.024	\$ <u>163,970</u>
Total Federal Expenditures		<u>\$ 9,480,163</u>

The accompanying notes to schedule of expenditures of federal awards is an integral part of this schedule.
 See independent auditor's report and notes to financial statements.

LASALLE COMMUNITY ACTION ASSOCIATION, INC.
Notes to Schedule of Expenditures of Federal Awards
December 31, 2023

Basis of Presentation

The accompanying schedule of expenditures of federal funds includes the federal grant activity of the LaSalle Community Action Association, Inc., the reporting entity as defined in Note 1 to the financial statements of the LaSalle Community Action Association, Inc., which is included in another section of this financial report.

Basis of Accounting

The accompanying schedule of expenditures of federal funds is presented using the accrual basis of accounting, which is described in Note 1 to the financial statements of the LaSalle Community Action Association, Inc., and is included in another section of this report.

Indirect Cost Rate

The LaSalle Community Action Association, Inc. has not elected to use the 10 percent de minimis indirect cost as allowed under the Uniform Guidance.

Subrecipients

There were no awards passed through to subrecipients.

OTHER REPORTS/SCHEDULES

T | C | B | T
THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER
Certified Public Accountants

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

To the Board of Directors of
LaSalle Community Action Association, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, the financial statements of the LaSalle Community Action Association, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 3, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered LaSalle Community Action Association, Inc.'s internal control over financial reporting (internal control) as a basis for designing 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 LaSalle Community Action Association, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of LaSalle Community Action Association, Inc.'s internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether LaSalle Community Action Association, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* (Finding 2023-001).

LaSalle Community Action Association, Inc.'s Response to Findings

LaSalle Community Action Association, Inc.'s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. LaSalle Community Action Association, Inc.'s response was not subjected to the 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 and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record, and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Thomas, Cunningham, Broadway + Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

September 3, 2024

T | C | B | T
THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE

To the Board of Directors of
LaSalle Community Action Association, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited LaSalle Community Action Association, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the LaSalle Community Action Association, Inc.'s major federal programs for the year ended December 31, 2023. The LaSalle Community Action Association, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the LaSalle Community Action Association, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended 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 *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the LaSalle Community Action Association, Inc.'s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and to express an opinion on the LaSalle Community Action Association, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance 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. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user based on the report on compliance about the LaSalle Community Action Association, Inc.'s compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the LaSalle Community Action Association, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the LaSalle Community Action Association, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures, that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the LaSalle Community Action Association, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control*

over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. During our audit we identified one deficiency in internal control over compliance that we consider to be a material weakness, as defined above (see Finding 2023-002). However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

LaSalle Community Action Association, Inc.'s response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. LaSalle Community Action Association, Inc.'s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

September 3, 2024

LaSalle Community Action Association, Inc.
Schedule of Findings and Questioned Costs
Year Ended December 31, 2023

1. SUMMARY OF AUDIT RESULTS

The following summarize the audit findings:

1. An unmodified opinion was issued on the financial statements of the LaSalle Community Action Association, Inc. as of and for the year ended December 31, 2023.
2. The audit disclosed no instances of material weaknesses in internal control.
3. The audit disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards*.
4. The audit disclosed no instances of material weaknesses in internal control over major programs.
5. An unmodified opinion was issued on compliance for major programs.
6. The audit disclosed one finding related to federal awards that is required to be reported under the Uniform Guidance.
7. The following program was major for the year ended December 31, 2023:
 - a. Head Start – AL# 93.600
8. \$750,000 was the threshold used to distinguish Type A from Type B programs.
9. The LaSalle Community Action Association, Inc. does not qualify as a low-risk auditee.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Noncompliance-

2023-001 Late Submission of Report

Criteria – Louisiana state law requires that the Association have an annual audit performed and submitted to the Legislative Auditor within six (6) months after the close of the fiscal year.

Condition – For the year ended December 31, 2023, the Association did not submit the annual audit within six months after the close of their fiscal year.

Cause – The Association was unable to provide the auditors with the necessary financial information by June 30, 2024.

Effect – The Association is not in compliance with state law, and as a result, some state funds are being withheld from the Association until the audit report is filed with the Legislative Auditor.

LaSalle Community Action Association, Inc.
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2023

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (continued)

Recommendation – The Association should institute procedures to ensure that the books and records are prepared, reconciled and available for the auditors within 45 days after the end of their fiscal year.

Management's Response - Management will adopt procedures to ensure that the books and records are prepared, reconciled and available within 45 days after the end of their fiscal year.

III. FINDINGS IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Compliance-

2023-002 *Financial Reporting*

Criteria - The Uniform Financial Reporting Standards require Section 8 Housing C to submit timely GAAP-based audited financial information electronically to HUD.

Condition - For the year ended December 31, 2023, the Association failed to submit timely GAAP-based audited financial information electronically to HUD.

Effect - The Association is not in compliance with the Uniform Financial Reporting standards concerning financial reporting.

Cause – Necessary information that is required was unavailable to properly submit the financial information to HUD..

Recommendation - The Association should adhere to the standards required by the Office of Management and Budget.

Management's Response - Management has engaged the auditing firm to electronically input the audited financial information.

IV. PRIOR YEAR AUDIT FINDINGS

No prior year audit findings.

T | C | B | T
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**INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING
STATEWIDE AGREED-UPON PROCEDURES**

To the LaSalle Community Action Association, Inc. and the Louisiana Legislative Auditor:

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. The LaSalle Community Action Association, Inc. management is responsible for those C/C areas identified in the SAUPs.

LaSalle Community Action Association, Inc. 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 for 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

1. We obtained and inspected the entity’s written policies and procedures and observed that they address each of the following categories and subcategories if applicable to public funds and the operations:
 - ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ***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.
 - ***Disbursements***, including processing, reviewing, and approving.
 - ***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 custodial fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, custodial fund forfeiture monies confirmation.)

- **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- **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 of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- **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.
- **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- **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.
- **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.

Procedure Results: No exceptions were noted as a result of these procedures.

Board or Finance Committee

2. We obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent documents in effect during the fiscal period, and:
 - Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - Observed that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual comparisons on all proprietary funds, and semi-annual budget-to-actual comparisons on all special revenue funds.
 - Obtained the prior year audit report and observed the unassigned fund balance in the General Fund. If the General Fund had a negative ending unrestricted net position in the prior year audit report, observed 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.

- Observed 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.

Procedure Results: No exceptions were noted as a result of these procedures.

Bank Reconciliations

3. We obtained a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Management identified the entity's main operating account. We selected the entity's main operating account and randomly selected 4 additional accounts (or all if less than 5). We randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for the selected accounts, and observed that:
 - Bank reconciliations include evidence that they were prepared within two months of the related statement closing date (e.g. initialed and dated, electronically logged);
 - Bank reconciliations included 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 one month of the date the reconciliation was prepared (e.g. initialed and dated, electronically logged); and
 - Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Procedure Results: No exceptions were noted as a result of these procedures.

Collections (excluding electronic funds transfers)

4. We obtained a listing of deposit sites for the fiscal period where deposits for cash/check/money orders (cash) are prepared and management's representation that the listing is complete. We randomly selected 5 deposit sites (or all deposit sites if less than 5).
5. We obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one collection location for each deposit site selected. We obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, then inquired of employees about their job duties) at each collection location, and observed that job duties were properly segregated at each collection location such that:
 - Employees that are responsible for cash collections do not share cash drawers/registers.
 - Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

6. We obtained from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. We observed that the bond or insurance policy for theft was in force during the fiscal period.
7. We randomly selected two deposit dates for each of the bank accounts selected for procedure #3 under “Bank Reconciliations” above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits were made on the same day). We obtained supporting documentation for each of the deposits selected and:
 - We observed that receipts are sequentially pre-numbered.
 - We traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - We traced the deposit slip total to the actual deposit per the bank statement.
 - We observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - We traced the actual deposit per the bank statement to the general ledger.

Procedure Results: No exceptions were noted as a result of these procedures.

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

8. We obtained a listing of locations that process payments for the fiscal period and management’s representation that the listing is complete. We randomly selected the required amount of disbursement locations (or all locations if less than 5).
9. For each location selected under #8 above, obtained a listing of those employees involved with non-payroll purchasing and payment functions. We obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquired of employees about their job duties), and we observed that job duties are properly segregated such that:
 - At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase.
 - At least two employees are involved in processing and approving payments to vendors.
 - 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.
 - 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.
 - Only employees/officials authorized to sign checks approved the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some electronic means.
10. For each location selected under #8 above, we obtained the entity’s non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management’s

representation that the population is complete. We randomly selected 5 disbursements for each location, and obtained supporting documentation for each transaction and:

- We observed that the disbursement, whether paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity.
 - We observed whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.
11. Using the entity's main operating account and the month selected in procedure #3 under Bank Reconciliations, we randomly selected 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observed 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. If no electronic payments were made from the main operating account during the month selected, we selected an alternative month and/or account for testing that does include electronic disbursements.

Procedure Results: No exceptions were noted as a result of these procedures.

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

12. We obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. We obtained management's representation that the listing is complete.
13. Using the listing prepared by management, we randomly selected the required amount of cards (up to five) that were used during the fiscal period. We randomly selected one monthly statement or combined statement for each card (for a debit card, randomly selected one monthly bank statement), and obtained supporting documentation, and:
- We observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
 - We observed that finance charges and late fees were not assessed on the selected statements.
14. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, we randomly selected the required amount transactions (up to ten) from each statement, and obtained supporting documentation for the transactions. For each transaction, we observed that it is supported by (a) an original itemized receipt that identified precisely what was purchased, (b) written documentation of the business/public purpose, and (c) documentation of the individuals participating in meals (for meal charges only). For missing receipts, we described the nature of the transaction and noted whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Procedure Results: No exceptions were noted as a result of these procedures.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

15. We obtained 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. We randomly selected 5 reimbursements, and obtained 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:

- If reimbursed using a per diem, we observed that the approved reimbursement rate is no more than those rates established by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- If reimbursed using actual costs, we observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- We observed that each reimbursement was supported by documentation of the business/public purpose (for meal charges, we observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1, 8th bullet).
- We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Procedure Results: No exceptions were noted as a result of these procedures.

Contracts

16. We obtained from management a listing of all agreements/contracts (or active vendor list) for professional services, materials, and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. We obtained management's representation that the listing is complete. We randomly selected the required amount of contracts (up to 5) from the listing, excluding our contract, and:

- We observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- We observed whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
- If the contract was amended (e.g. change order), we observed that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment, the document approval).
- We randomly selected one payment from the fiscal period for each of the selected contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

Procedure Results: No exceptions were noted as a result of these procedures.

Payroll and Personnel

17. We obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. We randomly selected 5 employees or officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.

18. We randomly selected one pay period during the fiscal period. For the 5 employees or officials selected under #17 above, we obtained attendance records and leave documentation for the pay period, and:

- We observed that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - We observed that supervisors approved the attendance and leave of the selected employees or officials.
 - We observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - We observed that the rate paid to the employees or officials agree to the authorized salary/pay rate found with the personnel file.
19. We obtained a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. If applicable, we selected two employees or officials and obtained related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. If applicable, we agreed the hours to the employee's or official's cumulative leave records, and the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and the termination payment to entity policy.
20. We obtained 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.

Procedure Results: No exceptions were noted as a result of these procedures.

Ethics

21. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, we obtained ethics documentation from management, and:
- We observed whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170.
 - We observed that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
22. We inquired and/or observed whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Procedure Results: No exceptions were noted as a result of these procedures.

Debt Service

23. We obtained a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. We selected all debt instruments on the listing, obtained supporting documentation, and observed that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
24. We obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. We randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed 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).

Procedure Results: No exceptions were noted as a result of these procedures.

Fraud Notice

25. We obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. We selected all misappropriations on the listing, obtained supporting documentation, and observed 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.
26. We observed whether the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Procedure Results: No exceptions were noted as a result of these procedures.

Information Technology Disaster Recovery/Business Continuity

27. We performed the following procedures:
 - We obtained and inspected the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquired of personnel responsible for backing up critical data) and observed 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.
 - We obtained and inspected the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquired of personnel responsible for testing/verifying backup restoration) and observed evidence that the test/verification was successfully performed within the past 3 months.
 - We obtained a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. We randomly selected the required number of computers (at least 5) and observed 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.
28. We randomly selected 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19, and observed evidence that the selected terminated employees have been removed or disabled from the network.
29. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, we obtained cybersecurity training documentation from management, and observed that the documentation demonstrates that the selected 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.
 - Hired on or after June 9, 2020, completed the training within 30 days of initial service or employment.

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

Prevention of Sexual Harassment

30. We randomly selected the employees/officials from procedure #17 under “Payroll and Personnel” above, obtained sexual harassment training documentation from management, and observed that 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.
31. We observed that the entity has posted its sexual harassment policy and complaint procedures on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).
32. We obtained the entity’s annual sexual harassment report for the current fiscal period, observed that the report was dated on or before February 1, and observed that it includes the applicable requirements of R.S. 42:344:
- Number and percentage of public servants in the agency who have completed the training requirements;
 - Number of sexual harassment complaints received by the agency;
 - Number of complaints which resulted in a finding that sexual harassment occurred;
 - Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - Amount of time it took to resolve each complaint.

a) ***Procedure Results: No exceptions were noted as a result of these procedures.***

We were engaged by LaSalle Community Action Association, Inc. 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 LaSalle Community Action Association, Inc. 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.

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September 3, 2024