

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

FINANCIAL STATEMENTS

Year Ended December 31, 2023

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Concerned Citizens for A Better Algiers, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Concerned Citizens for A Better Algiers, 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.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Concerned Citizens for A Better Algiers, 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 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. 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 Concerned Citizens for A Better Algiers, Inc. 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Concerned Citizens for A Better Algiers, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**To the Board of Directors
Concerned Citizens for A Better Algiers, Inc.**

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 Concerned Citizens for A Better Algiers, 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 Concerned Citizens for A Better Algiers, 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 accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the schedule of compensation, benefits, and other payments to agency head, as required by the State of Louisiana, and the schedule of activities and changes in net assets are presented for purposes of additional analysis and are not a required parts 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

**To the Board of Directors
Concerned Citizens for A Better Algiers, Inc.**

information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2024, on our consideration of Concerned Citizens for A Better Algiers, 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 Concerned Citizens for A Better Algiers, 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 Concerned Citizens for A Better Algiers, Inc.'s internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited Concerned Citizens for A Better Algiers, Inc.'s 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 31, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Metairie, Louisiana
June 20, 2024

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2023

With Summarized Financial Information on December 31, 2022

	2023	2022
ASSETS		
Cash and cash equivalents	\$ <u>426,208</u>	\$ <u>663,007</u>
Accounts receivable, net:		
Grants	400,716	323,944
Rents	32,909	21,220
Other	<u>10,000</u>	<u>5,000</u>
	<u>443,625</u>	<u>350,164</u>
Prepaid expenses and deposits	<u>38,769</u>	<u>37,048</u>
Total current assets	<u>908,602</u>	<u>1,050,219</u>
Land, buildings, and equipment, net	<u>2,829,961</u>	<u>2,950,686</u>
Total Assets	<u><u>3,738,563</u></u>	<u><u>4,000,905</u></u>
LIABILITIES		
Accounts payable and accrued liabilities	<u>84,200</u>	<u>37,925</u>
Total Current Liabilities	84,200	37,925
Tenant security deposits	<u>32,958</u>	<u>30,372</u>
Total Liabilities	<u>117,158</u>	<u>68,297</u>
NET ASSETS		
Without donor restrictions	<u>3,621,405</u>	<u>3,932,608</u>
Total Liabilities and Net Assets	\$ <u><u>3,738,563</u></u>	\$ <u><u>4,000,905</u></u>

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

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.
STATEMENT OF ACTIVITIES

Year ended December 31, 2023

With Summarized Financial Information for the Year Ended December 31, 2022

REVENUES	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	Total <u>2023</u>	Total <u>2022</u>
Grants	\$ 0	\$ 1,327,804	\$1,327,804	\$1,220,655
Gifts-in-kind: management and general	1,726	0	1,726	1,726
Program service fees - rent	445,695	0	445,695	427,344
Fundraising	20,584	0	20,584	15,557
Other	14,210	0	14,210	11,567
Gain on sale of property	0	0	0	122,480
Net assets released from restrictions	<u>1,327,804</u>	<u>(1,327,804)</u>	<u>0</u>	<u>0</u>
 Total Revenues	 <u>1,810,019</u>	 <u>0</u>	 <u>1,810,019</u>	 <u>1,799,329</u>
 EXPENSES				
Advertising	352	0	352	2,829
Bank charges	3,673	0	3,673	2,961
Contributions	2,787	0	2,787	2,541
Depreciation	162,523	0	162,523	162,523
Dues and memberships	7,773	0	7,773	5,837
Equipment	26,962	0	26,962	28,921
Food	55,381	0	55,381	42,713
Health insurance	46,028	0	46,028	43,964
In-kind professional services	1,726	0	1,726	1,726
Insurance	222,929	0	222,929	114,657
Interest	4	0	4	13,471
Meetings and travel	8,820	0	8,820	5,123
Occupancy	90,515	0	90,515	87,362
Other costs	1,626	0	1,626	3,657
Payroll taxes	48,707	0	48,707	46,670
Professional services	211,844	0	211,844	186,862
Rental assistance	415,057	0	415,057	341,089
Repairs and maintenance	153,510	0	153,510	115,753
Salaries	586,973	0	586,973	549,592
Supplies	46,428	0	46,428	50,759
Taxes and licenses	382	0	382	635
Telephone	22,093	0	22,093	35,187
Trash removal	2,043	0	2,043	1,898
Vehicle expenses	<u>3,086</u>	<u>0</u>	<u>3,086</u>	<u>2,073</u>
 Total Expenses	 <u>2,121,222</u>	 <u>0</u>	 <u>2,121,222</u>	 <u>1,848,803</u>
 Change in net assets	 (311,203)	 0	 (311,203)	 (49,474)
 Beginning net assets	 <u>3,932,608</u>	 <u>0</u>	 <u>3,932,608</u>	 <u>3,982,082</u>
 Ending net assets	 <u>\$3,621,405</u>	 <u>\$ 0</u>	 <u>\$3,621,405</u>	 <u>\$3,932,608</u>

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

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.
STATEMENT OF CASH FLOWS

Year ended December 31, 2023

With Summarized Financial Information for the Year Ended December 31, 2022

	2023	2022
Cash Flows from Operating Activities		
Change in net assets	\$ (311,203)	\$ (49,474)
Adjustments to reconcile changes in net assets to net cash provided by (used for) operating activities:		
Depreciation	162,523	162,523
(Gain) on sale of property	0	(122,480)
Forgiveness of liabilities	0	(90,268)
(Increase) decrease in assets:		
Grants receivable	(76,772)	101,786
Rents receivable	(11,689)	1,295
Other receivables	(5,000)	0
Prepaid expenses	(1,721)	(3,309)
Increase (decrease) liabilities:		
Accounts payable and accrued liabilities	46,275	(7,869)
Tenant security deposits	<u>2,586</u>	<u>4,124</u>
Net cash (used for) operating activities	<u>(195,001)</u>	<u>(3,672)</u>
Cash Flows from Investing Activities		
Purchases of property	(41,798)	(5,200)
Proceeds from sale of property	<u>0</u>	<u>340,124</u>
Net Cash provided by (used for) investing activities	<u>(41,798)</u>	<u>334,924</u>
Cash Flows from Financing Activities		
Payments on the line of credit	0	(220,000)
Increase in other liabilities	<u>0</u>	<u>1,053</u>
Net Cash (used for) financing activities	<u>0</u>	<u>(218,947)</u>
Net increase (decrease) in cash, cash equivalents, and restricted cash	(236,799)	112,305
Cash, cash equivalents, and restricted cash:		
Beginning of year	<u>663,007</u>	<u>550,702</u>
End of year	<u>\$ 426,208</u>	<u>\$ 663,007</u>
Supplemental Disclosures of Cash Flow Information		
Cash paid during the year for:		
Interest	\$ <u>0</u>	\$ <u>12,418</u>
Income Taxes	\$ <u>0</u>	\$ <u>0</u>

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

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE A - SUMMARY OF ACCOUNTING POLICIES

A summary of the Corporation's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Nature of Activities

Concerned Citizens for A Better Algiers, Inc. (the "Corporation") is a non-profit corporation organized under the laws of the State of Louisiana. The Corporation is organized to raise the economic, educational, and social levels of the residents of the Algiers Community; and to foster and promote community-wide interest and concern for the problems of individuals with special needs.

2. Financial Statement Presentation

The financial statements are presented in accordance with accounting principles generally accepted in the United States of America (GAAP). The financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

3. Net Assets

Net assets and revenue, gains and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the Corporation, and changes therein, are classified and reported as follows:

Without donor restrictions - Those resources not subject to donor-imposed restrictions. The Board of Directors has discretionary control over those resources.

With donor restrictions - Those resources subject to donor-imposed restrictions that will be satisfied by actions of the Corporation or by the passage of time.

4. Revenue Recognition and Contributed Support

Revenue for program service fees - rents and special event fundraising income is recognized when earned. Rents and special event income received in advance are deferred to the applicable period in which the related event is performed, or expenditures or events are incurred, respectively. The Corporation rents residential housing under short-term leases. Economic factors such as competition with other programs and events may impact the amount and certainty of revenues and cash flows.

Contributed support, including government grant revenue, is reported as Without Donor Restrictions or With Donor Restrictions 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, donor restrictions are reclassified to Without Donor Restrictions and reported in the statement of activities as "net assets released from restrictions".

Contributions of cash given for the purpose of purchasing or constructing property and equipment are reported as net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting from the reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the purchased long-lived assets are placed in service.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

The Corporation recognizes contributed services (Gifts-in-Kind) that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed services are valued and reported at estimated fair value in the financial statements based on current rates for similar services. Many individuals donate their time to perform a variety of tasks that assist the Corporation in fulfilling their program objectives. Amounts that have been reflected in the financial statements for donated professional services totaled \$1,726.

5. Accounts Receivables

The Corporation uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables and believes that the composition of receivables at year-end is consistent with historical conditions as credit terms and practices and the client base have not changed significantly. Based on this information, management believes the Corporation is likely to experience credit losses comparable to those historically experienced. As such, management has determined that all amounts are fully collectible and no allowance for credit losses is necessary.

6. Allowance for Credit Losses

An allowance for credit losses is an estimate based on historical account write-off trends, facts about the current financial condition of the debtor, and forecasts of future operating results based on current trends, and macroeconomic factors. Credit quality is monitored through the timing of payments compared to payment terms and known facts regarding the financial condition of debtors. Accounts receivable balances are charged off against the allowance for credit losses after recovery efforts have ceased. The Corporation had no activity for its allowance for credit losses for accounts receivable for the year ended December 31, 2023.

7. Land, Buildings, and Equipment

The Corporation records property acquisitions at cost. Donated items are recorded at estimated value at the date of donation. Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, on a straight-line basis. Depreciation expense for the year ended December 31, 2023 totaled \$162,523.

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

8. Cash, Restricted Cash, and Cash Equivalents

For the purposes of the statement of cash flows, the Corporation considers all investments with original maturities of three months or less to be cash equivalents.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statement of financial position that sum to the same amounts shown in the statement of cash flows:

Cash and cash equivalents	\$426,208
Restricted cash for long-term purposes	<u>0</u>
Total cash, cash equivalents, and restricted cash	<u>\$426,208</u>

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

9. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

10. Advertising

Advertising costs are expensed as incurred and allocated among programs and supporting services.

11. Fair Values of Financial Instruments

GAAP provides a framework for measuring fair value. That framework establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). On December 31, 2023, the Corporation had no investments.

12. Functional Allocation of Expenses

The expenses of providing the program and other activities have been summarized on a functional basis in Note G. Certain of those expenses have been allocated among the program and supporting services benefited based on estimates by management of the costs involved. The expenses that are allocated include occupancy, salaries, health insurance, payroll taxes, professional services, and insurance which are allocated on the basis of estimates of time and effort.

13. Investment Return, net

If present, investment return is reported net of external and direct internal investment expenses.

14. Summarized Comparative Information

The financial statements include certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Corporation's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

NOTE B - GRANTS RECEIVABLE

Grants receivable at December 31, 2023 consists of amounts due from the City of New Orleans for the following programs:

Housing Opportunities for Persons with Aids (HOPWA)	\$243,122
Ryan W. White Part A (Ryan White)	<u>157,594</u>
	<u>\$400,716</u>

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE C - LAND, BUILDINGS, AND EQUIPMENT

Land, buildings, and equipment on December 31, 2023 consist of the following:

Buildings	\$4,829,556
Transportation equipment	69,595
Equipment	<u>4,065</u>
	4,903,216
Less: accumulated depreciation	<u>2,458,780</u>
	2,444,436
Construction-in-progress	<u>143,938</u>
	2,588,374
Land	<u>241,587</u>
	<u>\$2,829,961</u>

Land and buildings include certain major items acquired with grants from governmental agencies. These properties are subject to HOME Affordable Rental Housing Program (HOME) regulatory agreements for periods ranging from 15 to 20 years. The net book value of the properties subject to HOME regulatory agreements at December 31, 2023 was \$1,927,236.

NOTE D – NOTE PAYABLE

The Corporation has a \$750,000 revolving line of credit loan, of which all was unused at December 31, 2023. Bank advances on the credit line are payable on demand and carry an interest rate of 1.5% over prime (10% at December 31, 2023). The credit line matures November 13, 2025 and is secured by land and buildings.

NOTE E -NET ASSETS WITH DONOR RESTRICTIONS

The following net assets with donor-restrictions were released from restrictions during the year:

Individuals with special needs	<u>\$1,327,804</u>
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NOTE F - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Corporation's liquidity management policy is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The financial assets available within one year of the Statement of Financial Position date are as follows:

Financial Assets	\$869,833
Less: Amounts unavailable for general expenditures within one year	<u>0</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$869,833</u>

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE G - FUNCTIONAL EXPENSES

Functional expenses for the year ended December 31, 2023 are as follows:

	Program Expenses			Supportive Services			Total
	Individuals with Special Needs	Rental Program for the Homeless	Subtotal	Manage- ment and General	Fund- raising	Subtotal	
Advertising	\$ 0	\$ 0	\$ 0	\$ 352	\$ 0	\$ 352	\$ 352
Bank charges	0	0	0	3,673	0	3,673	3,673
Contributions	0	0	0	2,037	750	2,787	2,787
Depreciation	0	162,523	162,523	0	0	0	162,523
Dues and memberships	0	6,723	6,723	1,050	0	1,050	7,773
Equipment	4,717	14,990	19,707	7,255	0	7,255	26,962
Food	48,874	0	48,874	2,811	3,696	6,507	55,381
Health insurance	36,122	9,015	45,137	891	0	891	46,028
In-kind professional services	0	0	0	1,726	0	1,726	1,726
Insurance	44,456	153,623	198,079	24,850	0	24,850	222,929
Interest	0	0	0	4	0	4	4
Meetings and travel	2,683	0	2,683	6,137	0	6,137	8,820
Occupancy	35,463	43,651	79,114	11,401	0	11,401	90,515
Other costs	0	0	0	857	769	1,626	1,626
Payroll taxes	32,542	13,705	46,247	2,460	0	2,460	48,707
Professional services	171,883	2,886	174,769	32,325	4,750	37,075	211,844
Rental assistance	382,454	0	382,454	32,603	0	32,603	415,057
Repairs and maintenance	4,973	96,873	101,846	50,664	1,000	51,664	153,510
Salaries	403,670	165,300	568,970	18,003	0	18,003	586,973
Supplies	8,419	19,254	27,673	16,182	2,573	18,755	46,428
Taxes and licenses	0	0	0	382	0	382	382
Telephone	17,806	0	17,806	4,287	0	4,287	22,093
Trash removal	0	0	0	2,043	0	2,043	2,043
Vehicle expenses	0	1,291	1,291	1,795	0	1,795	3,086
Total	\$1,194,062	\$689,834	\$1,883,896	\$223,788	\$13,538	\$237,326	\$2,121,222

NOTE H - INCOME TAXES

The Corporation is exempt from income tax under Section 501 (c)(3) of the U.S. Internal Revenue Code and comparable state law, and contributions to it are tax deductible within the limitations prescribed by the Code.

The Corporation may recognize the tax benefit from a tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The Corporation does not believe its financial statements include any uncertain tax positions.

NOTE I - BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation was paid to any board member.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE J - CONCENTRATION OF CREDIT RISK

As of December 31, 2023, the Corporation's cash balance consists of the following:

Cash balance, per bank statements	\$458,035
Less FDIC insurance	<u>310,337</u>
Uninsured balance	<u>\$147,698</u>

NOTE K - ECONOMIC DEPENDENCY

The Corporation receives a majority of its revenues from funds provided through grants administered by the City of New Orleans and other nonprofit entities. The grant amounts are appropriated each year by the federal government. If significant budget cuts are made at the federal level, the amount of the funds the organization receives could be reduced significantly and have an adverse impact on its operations.

The Corporation is supported primarily through grants from governmental agencies. Approximately 73% of the Corporation's support for the year ended December 31, 2023 came from these grants. Approximately 11% of the Corporation's assets at December 31, 2023 are receivable balances related to these grants.

NOTE L – ADOPTION OF NEW ACCOUNTING PRONOUNCEMENT

At the beginning of 2023, the Corporation adopted FASB ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Corporation adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Corporation's financial statements but did change how the allowance for credit losses is determined.

NOTE M – SUBSEQUENT EVENTS

The subsequent events of the Corporation have been evaluated through June 20, 2024, which is the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS

Year ended December 31, 2023

	PROGRAM SERVICES						TOTAL
	SUPPORTIVE SERVICES	HOPWA	RYAN WHITE	OTHER	SUBTOTAL	RENTAL PROGRAM FOR THE HOMELESS	
REVENUES							
Grants	\$ 0	\$833,939	\$493,865	\$ 0	\$1,327,804	\$ 0	\$1,327,804
Other	34,520	0	0	0	0	445,695	480,215
Total	34,520	833,939	493,865	0	1,327,804	445,695	1,808,019
EXPENSES							
Advertising	352	0	0	0	0	0	352
Bank charges	3,673	0	0	0	0	0	3,673
Contributions	2,787	0	0	0	0	0	2,787
Depreciation	0	0	0	0	0	162,523	162,523
Dues and memberships	1,050	0	0	0	0	6,723	7,773
Equipment	7,255	0	4,717	0	4,717	14,990	26,962
Food	6,507	16,203	32,671	0	48,874	0	55,381
Health insurance	891	35,912	210	0	36,122	9,015	46,028
In-kind professional services	1,726	0	0	0	0	0	1,726
Insurance	24,850	44,456	0	0	44,456	153,623	222,929
Interest	4	0	0	0	0	0	4
Meetings and travel	6,137	0	2,683	0	2,683	0	8,820
Occupancy	11,401	28,145	7,318	0	35,463	43,651	90,515
Other costs	1,626	0	0	0	0	0	1,626
Payroll taxes	2,460	24,533	7,506	503	32,542	13,705	48,707
Professional services	37,075	37,625	134,258	0	171,883	2,886	211,844
Rental assistance	32,603	297,367	85,087	0	382,454	0	415,057
Repairs and maintenance	51,664	4,200	773	0	4,973	96,873	153,510
Salaries	18,003	307,467	91,362	4,841	403,670	165,300	586,973
Supplies	18,755	7,551	868	0	8,419	19,254	46,428
Taxes and licenses	382	0	0	0	0	0	382
Telephone	4,287	15,191	1,176	1,439	17,806	0	22,093
Trash removal	2,043	0	0	0	0	0	2,043
Vehicle expenses	1,795	0	0	0	0	1,291	3,086
Total	237,326	818,650	368,629	6,783	1,194,062	689,834	2,121,222
Change in net assets	\$(202,806)	\$ 15,829	\$125,236	\$(6,783)	\$ 133,742	\$(244,139)	\$(313,203)

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year December 31, 2023

FEDERAL GRANTOR/PASS-THROUGH GRANTOR PROGRAM	PASS THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL ASSISTANCE NUMBER	FEDERAL EXPEND- ITURES
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Funds passed through City of New Orleans	K22-213; DUNS#88- 497-3694; LAH20F001		
Housing Opportunities for Persons with Aids		14.241	\$ <u>833,939</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>833,939</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Funds passed through City of New Orleans	NOHD22: K22-400 BRASS #3665 and K21-788 BRASS PO. 27857		
HIV Emergency Relief Project Grants		93.914	<u>493,865</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>493,865</u>
Total expenditures of federal awards			<u>\$1,327,804</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year December 31, 2023

A. **Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Concerned Citizens for A Better Algiers, Inc. under programs of the federal government for the year ended December 31, 2023. The information in this schedule is presented 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”). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.

B. **Summary of Significant Accounting Policies**

The schedule of expenditures of federal awards is reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

C. **Indirect Cost Rate**

Concerned Citizens for A Better Algiers, Inc. did not elect the 10% de minimis indirect cost rate.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD**

For the year ended December 31, 2023

Agency Head Name: Shantrice N. Dial
Position: Executive Director

	<u>Purpose</u>	<u>Amount</u>
Compensation		\$ 89,581
Hospitalization		10,467
Reimbursements - various program costs		80
Total		<u>\$ 100,128</u>

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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
Concerned Citizens for A Better Algiers, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Concerned Citizens for A Better Algiers, Inc. (a nonprofit corporation) which comprise the statement of financial position as of December 31, 2023 and the related statements of activities and cash flows and for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 20, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements we considered the Concerned Citizens for A Better Algiers, 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 the Concerned Citizens for A Better Algiers, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Concerned Citizens for A Better Algiers, 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 the 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 Concerned Citizens for A Better Algiers, 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.

To the Board of Directors
Concerned Citizens for A Better Algiers, Inc.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Standards Auditing* in considering the organization's internal control 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.



Metairie, Louisiana
June 20, 2024

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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
Concerned Citizens for A Better Algiers, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Concerned Citizens for A Better Algiers, 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 Concerned Citizens for A Better Algiers, Inc.'s major federal programs for the year ended December 31, 2023. Concerned Citizens for A Better Algiers, 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, Concerned Citizens for A Better Algiers, 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 Concerned Citizens for A Better Algiers, 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 Concerned Citizens for A Better Algiers, 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 Concerned Citizens for A Better Algiers, Inc.'s federal programs.

**To the Board of Directors
Concerned Citizens for A Better Algiers, Inc.**

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 Concerned Citizens for A Better Algiers, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Concerned Citizens for A Better Algiers, 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 Concerned Citizens for A Better Algiers, 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 Concerned Citizens for A Better Algiers, 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 Concerned Citizens for A Better Algiers, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

**To the Board of Directors
Concerned Citizens for A Better Algiers, Inc.**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Metairie, Louisiana
June 20, 2024

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended December 31, 2023

A. Summary of The Audit Results

Financial Statements

1. Type of auditor's report issued Unmodified
2. Internal control over financial reporting:
- Material weakness identified? Yes No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes None noted
3. Noncompliance material to financial statements noted? Yes No

Federal Awards

4. Type of auditor's report issued on compliance for major programs Unmodified
5. Internal control over major programs:
- Material weakness identified? Yes No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes None noted
6. Any audit findings disclosed that are required to be reported by Title 2 U.S. Code of Federal Regulations Part 200. Yes No
7. Identification of major programs:
Federal Assistance Number 14.241
Housing Opportunities for People with Aids
8. Dollar threshold used to distinguish between type A and B programs: \$750,000
9. Auditee qualified as low-risk auditee? Yes No

- B. Findings Related to the Financial Statements Reported in Accordance with *Government Auditing Standards* required to be reported?** Yes No

- C. Findings and Questioned Costs for Federal Awards Under the Uniform Guidance required to be reported?** Yes No

- D. Status of Prior Year Audit Findings?** Resolved

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the year ended December 31, 2023

FINDINGS-FINANCIAL STATEMENTS AUDIT

There were no audit findings required to be reported.

FINDINGS AND QUESTIONED COSTS-MAJOR FEDERAL AWARD PROGRAMS AUDIT

There were no audit findings required to be reported.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

For the year ended December 31, 2023

One instance of noncompliance was reported in the prior year as Finding 2022-001 – Non-emergency extension.

Condition: A non-emergency extension was obtained; however, Concerned Citizens for a Better Algiers failed to submit the annual financial report to the Louisiana Legislative Auditor (LLA) by the statutory due date as required by the Louisiana Governmental Audit Guide.

Recommendation: Procedures should be implemented to have the audit completed in a timelier manner and to submit the annual financial report to the LLA by the statutory due date.

Current Status: The recommendation was implemented. No similar finding was noted in the 2023 audit.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

YEAR ENDED DECEMBER 31, 2023

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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

Concerned Citizens for a Better Algiers, 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) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2023, through December 31, 2023. Concerned Citizens for a Better Algiers, Inc.'s (CCFABA) management is responsible for those C/C areas identified in the SAUPs.

An agreed-upon procedures engagement involves the practitioner performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed. CCFABA 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:

1. Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii. ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - iii. ***Disbursements***, including processing, reviewing, and approving.
 - iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
 - vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

- vii. **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **Credit Cards (and debit cards, fuel cards, P-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).
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **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: The Louisiana Code of Ethics and debt service are not applicable to CCFABA. No exceptions were noted as a result of applying these procedures.

2. Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - i. Observe that the board/finance committee meets with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. Alternatively, for those entities reporting on the not-for-profit 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.
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
 - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results: CCFABA is not a government. No exceptions were noted as a result of applying these procedures.

3. Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain, and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged).
 - ii. Bank reconciliations include evidence that a member of management/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
 - iii. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement's closing date, if applicable.

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

4. Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
- i. Employees that are responsible for cash collections do not share cash drawers/registers.
 - ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - iii. Each employee responsible for collecting cash is not 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.
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3A 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:

- i. Observe that receipts are sequentially pre-numbered.
- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- iii. Trace the deposit slip total to the actual deposit per the bank statement.
- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- v. Trace the actual deposit per the bank statement to the general ledger.

Results: These procedures were not performed. This area was tested in the entity's Single Audit during the fiscal period. This is not an exception.

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

- A. 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).
- B. For each location selected under #5A 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:
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - ii. At least two employees are involved in processing and approving payments to vendors.
 - iii. 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.
 - iv. 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.
 - v. 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.
- C. For each location selected under #5A 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:
 - i. Observe that the disbursement matched the related original itemized invoice, and that supporting documentation indicates that deliverables included on the invoice were received by the entity.
 - ii. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, 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. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Results: These procedures were not performed. This area was tested in the entity's Single Audit during the fiscal period. This is not an exception.

6. Credit Cards/Debit Cards/Fuel Cards/P-Cards

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, 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.
- B. 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:
 - i. Observe 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.
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under #6B 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 that 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: These procedures were not performed because CCFABA does not have any credit cards, bank debit cards, fuel cards, or P-cards. This is not an exception.

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

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policy and Procedures procedure #1A(vii).
- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

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

8. Contracts

- A. 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:
 - i. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - ii. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
 - iii. If the contract was amended (e.g., change order), observe 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 was approval documented).
 - iv. 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 that the invoice and related payment agreed to the terms and conditions of the contract.

Results: These procedures were not performed because CCFABA is not subject to this policy or law. This is not an exception.

9. Payroll and Personnel

- A. 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.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sickness, 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.)

- ii. Observe that supervisors approved the attendance and leave of the selected employees or officials.
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - iv. Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
- C. 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 policy on termination payments. Agree the hours to the employee or the officials' cumulate 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.
- D. 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: These procedures were not performed. This area was tested in the entity's Single Audit during the fiscal period. This is not an exception.

10. Ethics

- A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above: obtain ethics documentation from management, and:
- i. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - ii. Observe 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.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

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

11. Debt Service

- A. 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 that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. 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: These procedures were not performed. CCFABA, a nonprofit entity, does not have debt service. This is not an exception.

12. Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

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

13. Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures and verbally discuss the results with management:
 - i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - iii. Obtain a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, 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:
 - a. Hired before June 9, 2020 – completed the training; and
 - b. 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.

14. Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from “Payroll and Personnel” procedure #9A above, obtain sexual harassment training documentation from management, and observe 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. 41:343.
- B. Observe that 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).
- C. 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 that it includes the applicable requirements of R.S. 42:344:
 - i. Number and percentage of public servants in the agency who have completed the training requirements.
 - ii. Number of sexual harassment complaints received by the agency.
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred.
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action.
 - v. The amount of time it took to resolve each complaint.

Results: No exceptions were noted as a result of applying procedures A and B. CCFABA is a nonprofit entity; accordingly, procedure C does not apply and was not performed. This is not an exception.

We were engaged by CCFABA 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 CCFABA 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.



Paciera, Gautreau & Priest, LLC
Metairie, Louisiana
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