

NORTHLAKE HOMELESS COALITION

FINANCIAL REPORT

DECEMBER 31, 2024 AND 2023

NORTHLAKE HOMELESS COALITION

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To the Board of Directors
Northlake Homeless Coalition
Slidell, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Northlake Homeless Coalition (Coalition) (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years 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 Northlake Homeless Coalition as of December 31, 2024 and 2023 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Northlake Homeless Coalition and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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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 Northlake Homeless Coalition'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 Northlake Homeless Coalition'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 Northlake Homeless Coalition'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 Compensation, Benefits, and Other Payments to Agency Head and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the financial statements.

The Schedule of Compensation, Benefits, and Other Payments to Agency Head, and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the Schedule of Compensation, Benefits, and Other Payments to Agency Head and schedule of expenditures of federal awards are 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 30, 2025, on our consideration of Northlake Homeless Coalition'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 Northlake Homeless Coalition'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 Northlake Homeless Coalition's internal control over financial reporting and compliance.

Duplantier, Sharpness, Hogan and Baker, LLP

Metairie, Louisiana

NORTHLAKE HOMELESS COALITION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

ASSETS

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS:		
Cash	\$ 96,193	\$ 112,840
Grants receivables	175,288	146,470
Total current assets	<u>271,481</u>	<u>259,310</u>
OTHER ASSETS:		
Deposit	438	438
Operating lease right-of-use asset, net	11,220	25,102
Total other assets	<u>11,658</u>	<u>25,540</u>
PROPERTY AND EQUIPMENT: (net of accumulated depreciation of \$208,499 and \$50,147, respectively)	<u>4,197,614</u>	<u>4,326,560</u>
 TOTAL ASSETS	 <u>\$ 4,480,753</u>	 <u>\$ 4,611,410</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts payable	\$ 35,483	\$ 34,933
Accrued payroll	22,763	10,958
Accrued interest	10,979	11,800
Operating lease right of use liability	11,220	13,882
Line of credit	1,660,720	1,304,569
Total current liabilities	<u>1,741,165</u>	<u>1,376,142</u>
NON-CURRENT LIABILITIES:		
SBA Economic Injury Disaster Loan	247,658	250,000
Operating lease right-of-use liability	-	11,220
Total non-current liabilities	<u>247,658</u>	<u>261,220</u>
 TOTAL LIABILITIES	 <u>1,988,823</u>	 <u>1,637,362</u>
NET ASSETS:		
Without donor restrictions	2,491,930	2,974,048
Total net assets	<u>2,491,930</u>	<u>2,974,048</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 4,480,753</u>	 <u>\$ 4,611,410</u>

See accompanying notes.

NORTHLAKE HOMELESS COALITION
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
REVENUES AND OTHER SUPPORT:		
Governmental grants	\$ 915,228	\$ 3,931,598
Agency fee income	42,590	50,318
Donations	96,469	30,514
Other income	215	389
Total revenues and other support	<u>1,054,502</u>	<u>4,012,819</u>
EXPENSES:		
Program services	1,200,619	869,992
Management and general	336,001	181,711
Total expenses	<u>1,536,620</u>	<u>1,051,703</u>
CHANGE IN NET ASSETS	(482,118)	2,961,116
NET ASSETS - BEGINNING OF YEAR	<u>2,974,048</u>	<u>12,932</u>
NET ASSETS - END OF YEAR	<u>\$ 2,491,930</u>	<u>\$ 2,974,048</u>

See accompanying notes.

NORTHLAKE HOMELESS COALITION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
EXPENSES:			
Salaries and related benefits	\$ 519,753	\$ 129,938	\$ 649,691
Rental assistance	54,328	-	54,328
Outreach supplies	17,885	-	17,885
Motel vouchers	3,886	-	3,886
Other program expenses	32,824	-	32,824
HMIS	105,229	-	105,229
Professional fees	26,745	106,978	133,723
Insurance	77,206	19,301	96,507
Auto expense	1,813	453	2,266
Utilities	9,299	2,325	11,624
Depreciation	126,682	31,670	158,352
Interest	102,359	25,590	127,949
Phone	5,279	1,320	6,599
IT	12,541	3,135	15,676
Lease	19,320	4,830	24,150
Printing	3,042	760	3,802
Cleaning	2,400	600	3,000
Storage	1,650	412	2,062
Meeting	9,395	2,349	11,744
Training	4,652	1,163	5,815
Dues	580	145	725
Cornerstone	43,623	-	43,623
Other	20,128	5,032	25,160
TOTAL	<u>\$1,200,619</u>	<u>\$ 336,001</u>	<u>\$1,536,620</u>

See accompanying notes.

NORTHLAKE HOMELESS COALITION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
EXPENSES:			
Salaries and related benefits	\$ 437,873	\$ 109,468	\$ 547,341
Rental assistance	67,059	-	67,059
Outreach supplies	10,562	-	10,562
Motel vouchers	90,698	-	90,698
Other program expenses	23,840	-	23,840
HMIS	96,474	-	96,474
Professional fees	9,699	38,795	48,494
Insurance	26,054	6,513	32,567
Auto expense	1,059	265	1,324
Utilities	8,367	2,092	10,459
Depreciation	20,610	5,152	25,762
Interest	12,401	3,100	15,501
Phone	4,912	1,228	6,140
IT	8,442	2,111	10,553
Lease expense	19,438	4,860	24,298
Printing	82	21	103
Cleaning	2,400	600	3,000
Storage	1,642	410	2,052
Meeting expenses	5,922	1,481	7,403
Training	896	224	1,120
Dues	640	160	800
Other	<u>20,922</u>	<u>5,231</u>	<u>26,153</u>
 TOTAL	 <u>\$ 869,992</u>	 <u>\$ 181,711</u>	 <u>\$ 1,051,703</u>

See accompanying notes.

NORTHLAKE HOMELESS COALITION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (482,118)	\$ 2,961,116
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	158,352	25,762
(Increase) decrease in operating assets:		
Grants receivables	(28,818)	79,045
Increase (decrease) in operating liabilities:		
Accounts payable	550	(44,465)
Accrued payroll	11,805	1,250
Accrued interest	(821)	2,276
HUD repayment	-	(16,775)
Net cash provided (used) by operating activities	<u>(341,050)</u>	<u>3,008,209</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property and equipment	<u>(29,406)</u>	<u>(4,304,569)</u>
Net cash (used) in investing activities	<u>(29,406)</u>	<u>(4,304,569)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments to SBA Economic Injury loan	(2,342)	-
Proceeds from line of credit	<u>356,152</u>	<u>1,304,569</u>
Net cash provided by financing activities	<u>353,810</u>	<u>1,304,569</u>
NET INCREASE (DECREASE) IN CASH	(16,646)	8,209
CASH - BEGINNING OF YEAR	<u>112,840</u>	<u>104,631</u>
CASH - END OF YEAR	<u>\$ 96,194</u>	<u>\$ 112,840</u>
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for the following:		
Interest	<u>\$ 116,970</u>	<u>\$ 13,225</u>
Income tax	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes.

NORTHLAKE HOMELESS COALITION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization

Northlake Homeless Coalition (the Coalition), a Louisiana non-profit organization, is a network of private and public service providers working together to end the ravages of homelessness in the southeast Louisiana parishes of Livingston, St. Helena, St. Tammany, Tangipahoa, and Washington. The Coalition's mission is to eliminate and thereafter prevent homelessness in this region. The objectives of the Coalition is to serve as the Department of Housing and Urban Development (HUD) designated Continuum of Care (CoC) for this region and align with HUD's stated purpose of the CoC program to: provide a community wide commitment to the goal of ending homelessness; provide funding for efforts to quickly re-house individuals and families experiencing homelessness; promote access to and effective use of mainstream programs; and optimize self-sufficiency among persons experiencing homelessness.

During 2023, Northlake Homeless Coalition purchased a facility known as the Cornerstone Project. The Cornerstone Project will serve individuals and families experiencing homelessness or housing instability in Tangipahoa Parish. The project has four components that meet the needs of the community: 50 hotel rooms to be used for short-term housing, 24 one-bedroom affordable apartment units with wrap-around services for people with special needs and a resource center serving as a social service hub that will help people move toward self-sufficiency. In addition to a Federally Qualified Health Center (FQHC) to provide on-site medical and behavioral health services.

Federal Income Taxes

The Coalition is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provisions for Federal or State income taxes have been recorded in the financial statements.

Basis of Accounting

The Coalition prepares its financial statements in accordance with accounting principles generally accepted in the United States of America, involving the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Basis of Presentation

The Coalition follows the provisions of the Not-for-Profit Entities Topic 958 of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under the Not-for-Profit Entities Topic of the FASB ASC, the Coalition is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

NORTHLAKE HOMELESS COALITION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basis of Presentation (Continued)

- a) *Net assets without donor restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Revenues are reported as increases in net assets without donor restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions.
- a) *Net assets with donor restrictions* – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulated that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

As of December 31, 2024 and 2023, there are no net assets with donor restrictions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For financial statement purposes, the Coalition considers all highly-liquid investments purchased with a maturity of three months or less to be cash equivalents.

Property and Equipment

Property and equipment is recorded at cost. Depreciation of property and equipment is based upon the estimated useful service lives, which range from 1 to 15 years, using the straight-line method. Maintenance and repairs are charged to expense, while additions and improvements are capitalized. Property acquisitions of non-expendable items with a value in excess of \$1,000 and a useful life of more than one year are capitalized and depreciated. Any purchases below this threshold are expensed.

NORTHLAKE HOMELESS COALITION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Receivables

Receivables are stated at unpaid balances. Majority of receivables are grant receivables. Receivables at December 31, 2024 and 2023 were considered collectible by management.; accordingly an allowance for doubtful accounts was not recorded.

Revenue and Support

Northlake Homeless Coalition receives as revenue and support grant revenues which management has determined are contributions. Northlake Homeless Coalition recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Once the condition is met, contributions are recorded as increases in net assets without donor restrictions or increases in net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions, and reported in the statement of activities as net assets released from donor restrictions. Contributions received with donor-imposed conditions and restrictions that are met in the same reporting period are reported as support without donor restrictions and increase net assets without donor restrictions.

Functional Expenses

The costs of providing the Coalition's program and supporting services have been presented on a functional basis in the statement of activities which presents the natural classification detail of expenses by function. Expenses are first allocated by direct identification and then allocated if an expenditure benefits more than one program or function. Allocated expenses are allocated based on a reasonable basis that is consistently applied. Salaries and benefits are allocated based on estimated time spent for each function. All other expenses are allocated to functions based upon management's estimate of usage applicable to conducting these functions.

Advertising Costs

Advertising costs are expensed as incurred. For the years ended December 31, 2024 and 2023 there was \$1,148 and \$1,225, respectively in advertising expenses.

NORTHLAKE HOMELESS COALITION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Leases

The Coalition leases office space and equipment and determines if an agreement is a lease or contains a lease at inception. Under Accounting Standards Codification 842, an agreement is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from the use of the asset and the right to direct the use of the asset. The Coalition only reassesses its determination if the terms and conditions of the contract are changed.

The lease term for accounting purposes may include options to extend or terminate the lease when it is reasonably certain that the Coalition will exercise the option. Right-of-use assets and the corresponding lease liabilities are recorded at the commencement date based on the present value of lease payments over the expected lease term. The Coalition uses the risk free borrowing rate to calculate the present value of the lease payments for its operating leases unless the lease has a rate implicit in the lease.

Short term leases, or leases with a term of twelve months or less that do not contain a purchase option that is reasonably certain to be exercised are expensed and not capitalized.

In accordance with ASC 360, right-of-use assets are reviewed for impairment when indicators of impairment are present.

2. CASH:

The Coalition's bank balances as of December 31, 2024 and 2023 were \$91,926 and \$108,586, respectively. The balances are fully insured by the Federal Deposit Insurance Corporation (FDIC), which insures up to \$250,000 per account category per financial institution.

3. GRANTS RECEIVABLE:

Under the terms of the various grant agreements, the Coalition had a total due from various grantors of \$175,288 and \$146,470 at December 31, 2024 and 2023, respectively. The Coalition has the following grants receivables for the years ended at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Continuum of Care	\$ 114,786	\$ 99,585
Emergency Solutions Grant	8,607	-
American Rescue Plan Grant	48,402	42,186
Agency Fees	2,742	2,742
Other	751	1,957
	<u>\$ 175,288</u>	<u>\$ 146,470</u>

NORTHLAKE HOMELESS COALITION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

4. CORNERSTONE PROJECT:

During the year ended December 2023 the Coalition purchased a facility in the amount of \$4,304,569 which will be renovated and used to meet the housing needs of those in Tangipahoa Parish. The Project has four components which includes: 50 hotel rooms to be used for short-term housing, 24 one-bedroom affordable apartment units with wrap-around services for people with special needs and a resource center serving as a social service hub that will help people move toward self-sufficiency. In addition to a Federally Qualified Health Center (FQHC) to provide on-site medical and behavioral health services. As of December 31, 2024 renovations needed to operate the facility have not occurred due to litigation regarding the Coalition's access to the facility. Once access has been resolved, the Coalition will move forward with the renovations.

During the year ended December 31, 2024, the Coalition incurred \$43,623 for utilities to maintain the facility at the present condition and limit the required renovations. The Coalition has obtained funding to renovate the facility but receipt is pending the resolution of the access to the facility.

5. PROPERTY AND EQUIPMENT:

The following is a summary of changes in property and equipment for the years ended December 31, 2024 and 2023:

	Balance <u>1/1/2024</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/2024</u>
Buildings	\$ 4,304,569	\$ 26,104	\$ -	\$ 4,330,673
Furniture and fixtures	6,170	-	-	6,170
Computer Equipment	22,728	3,302	-	26,030
Vehicles	43,240	-	-	43,240
	<u>4,376,707</u>	<u>29,406</u>	<u>-</u>	<u>4,406,113</u>
Accumulated depreciation	<u>(50,147)</u>	<u>(158,352)</u>	<u>-</u>	<u>(208,499)</u>
Net property and equipment	<u>\$ 4,326,560</u>	<u>\$ (128,946)</u>	<u>\$ -</u>	<u>\$ 4,197,614</u>

	Balance <u>1/1/2023</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/2023</u>
Buildings	\$ -	\$4,304,569	\$ -	\$ 4,304,569
Furniture and fixtures	6,170	-	-	6,170
Computer Equipment	22,728	-	-	22,728
Vehicles	43,240	-	-	43,240
	<u>72,138</u>	<u>4,304,569</u>	<u>-</u>	<u>4,376,707</u>
Accumulated depreciation	<u>(24,385)</u>	<u>(25,762)</u>	<u>-</u>	<u>(50,147)</u>
Net property and equipment	<u>\$ 47,753</u>	<u>\$4,278,807</u>	<u>\$ -</u>	<u>\$ 4,326,560</u>

Depreciation expense for the years ended December 31, 2024 and 2023 was \$158,352 and \$25,762, respectively.

NORTHLAKE HOMELESS COALITION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

6. LEASES:

The Coalition entered into a short-term lease agreement for office space in the amount of \$875 per month. The lease agreement is a one-year agreement commencing January 15, 2022 and terminating January 31, 2023 with a one year option to renew. The Coalition does not expect to exercise the option to renew. The Coalition is on a month to month rental agreement Total rent expense for the years ended December 31, 2024 and 2023 was \$10,185 and \$9,625, respectively.

The Coalition entered into a long term operating lease agreement for office space that commenced October 1, 2022 and terminate September 30, 2024 with monthly payments of \$1,050. At the end of the lease, the Coalition has an option to renew for one additional year with a 5% increase in rent. The Coalition does expect to exercise its option to renew. This lease agreement did not specify an explicit interest rate, therefore, the Coalition used its risk-free rate of 1.04% in calculating the right-of-use asset and lease liability. Upon commencement of the lease, using the original lease term in addition to the option to renew lease term, the right-of-use asset and lease liability were \$37,814 and \$37,814, respectively.

The Coalition leases a copy machine under a long term operating lease agreement that commenced December 15, 2021 and terminates December 15, 2025 with payments of \$114 per month. There are no variable lease payments under this lease, and the Coalition does not have any right to extend or terminate the lease. At the end of the lease, unless the copier is returned or purchased, the lease will continue on a month-to-month basis. This lease agreement did not specify an explicit interest rate, therefore, the Coalition used its risk-free rate of 3.25% in calculating the right-of-use asset and lease liability. Upon commencement of the lease, the right-of-use asset and lease liability were \$5,114 and \$5,114, respectively.

The following summarizes the line items in the statement of financial position for the operating leases as of December 31, 2024 and 2023:

Assets:		<u>2024</u>	<u>2023</u>
Operating	Right-of-use assets - office lease	\$ 9,879	\$ 22,462
	Right-of-use assets - copy machine	<u>1,341</u>	<u>2,640</u>
		<u>\$ 11,220</u>	<u>\$ 25,102</u>
Liabilities:			
Current:			
Operating	Operating lease - liability - office lease	\$ 9,879	\$ 12,583
	Operating lease - liability - copy lease	<u>1,341</u>	<u>1,299</u>
		<u>\$ 11,220</u>	<u>\$ 13,882</u>

NORTHLAKE HOMELESS COALITION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

6. LEASES: (Continued)

Non-current

Operating	Operating lease - liability - office lease	\$	-	\$	9,879
	Operating lease - liability -copy lease		-		1,341
		\$	-	\$	11,220

As of December 31, 2024 the weighted average remaining lease terms and weighed average discount rate is .87 years and 1.25% respectively.

The maturities of lease liabilities as of December 31, 2024 are as follows:

<u>Year</u> <u>Ended</u>	<u>Lease</u> <u>Obligation</u>
2025	\$ 11,289
Total Lease Payments	11,289
Less: interest	(69)
Present Value of Lease Liabilities	\$ 11,220

The following summarizes the line items in the statement of activities for the operating leases as of December 31, 2024 and 2023:

<u>Lease Cost</u>	<u>Classification</u>	<u>2024</u>	<u>2023</u>
Operating leases	Included in operating expense as lease	\$ 13,965	\$ 13,965
Short term leases	Included in operating expense as lease	10,185	10,333
	Net Lease Cost	\$ 24,150	\$ 24,298

The following summarizes the line items in the statement of cash flows for the operating leases as of December 31, 2024:

Cash paid for amounts included in measurement of lease liabilities:

	<u>2024</u>	<u>2023</u>
Operating cash flows from operating leases	\$ 13,965	\$ 13,965

There were no lease assets obtained in exchange for lease liabilities.

NORTHLAKE HOMELESS COALITION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

7. SBA ECONOMIC INJURY DISASTER LOAN:

The Coalition entered into a loan agreement with the SBA on May 28, 2020 in the amount of \$150,000 to be used for working capital to alleviate economic injury caused by the disaster occurring in the month of January 31, 2020. Interest of 2.75% per annum will accrue on funds advanced from the SBA beginning from the date of each advance. Monthly installment payments, including interest and principal in the amount of \$641 will begin 12 months from the date of the promissory note with the balance due 30 years from the date of the promissory note. On April 16, 2022, a modification was made on the original loan for an additional \$100,000. Monthly installment payments, including interest in the amount of \$1,102 will begin 24 months from the original date of the note. The Coalition was subsequently granted an extension whereby payments begin 30 months from the original date of the note. All other terms of the note remain the same. Monthly payments will be applied first to accrued interest and the balance, if any will be applied to principal. Collateral on the loan includes tangible and intangible personal property of the Coalition. The balance of the loan as of December 31, 2024 and 2023 was \$247,658 and \$250,000, respectively. Interest accrued on the loan during the years ended December 31, 2024 and 2023 in the amount of \$-0- and \$6,875, respectively. Payments during the year ended December 31, 2024 and 2023 in the amount of \$6,612 and \$13,224, respectively were applied to accrued interest. The balance of interest accrued as of December 31, 2024 and 2023 was \$-0- and \$3,175, respectively. As of December 31, 2024, payments are applied to the principal.

Future payments on the loan as of December 31, 2024 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 6,519	\$ 6,705
2026	6,700	6,524
2027	6,887	6,337
2028	7,078	6,146
2029-Thereafter	220,474	73,954
	<u>\$ 247,658</u>	<u>\$ 99,666</u>

8. LINE OF CREDIT:

The Coalition obtained a \$2,000,000 line of credit on December 4, 2023 at Home Bank with a maturity date of December 4, 2025 and secured by real estate. Interest is payable monthly and varies based on changes in an independent index. At December 31, 2024, the applicable interest rate was 8.50%. The outstanding principal balance as of December 31, 2024 and 2023 was \$1,660,720 and \$1,304,569, respectively. The outstanding interest balance as of December 31, 2024 was \$10,979 and \$8,625, respectively.

9. FEDERAL AND STATE GRANTS:

The Coalition participates in a number of federal and state grant programs, which are governed by various rules and regulations of each grantor agency. Costs charged to each

NORTHLAKE HOMELESS COALITION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

9. FEDERAL AND STATE GRANTS:

respective grant program are subject to audit and adjustment by the grantor agency; therefore, to the extent that the Coalition has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivables at December 31, 2024 and 2023 may be impaired. As of December 31, 2024 and 2023 no funds were due to HUD.

In the opinion of the management of the Coalition, there are no other significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

10. REVENUE RECOGNITION:

Agency Fee Income

The Coalition's exchange transactions include revenues from agency fee income. Agency fee income are revenue for services provided by the Coalition to assist other agencies in obtaining funding. Earnings are based on a percentage of funds received by each Agency.

Revenue from agency fee income is recognized in the period of the service performed and there are no other performance obligations, which exist, and collectability is reasonably assured.

Governmental Grants

The Coalition receives federal and state grants which management has determined are contributions. The federal and state grants that are conditional upon certain performance requirements and/or the incurrence of allowable qualifying expenses, are recognized when the Coalition has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

During the years ended December 31, 2024 and 2023, the Coalition received grant funds from the Department of Housing and Urban Development, and Louisiana Housing Corporation. The Coalition also received contributions from United Way of Southeast Louisiana and the Greater New Orleans Foundation. The conditional grants and contributions are reported as revenue when qualifying expenses are incurred. Any conditional grants and contributions in which the performance has not been met is reported as a refundable advance in the statement of financial position. There were no refundable advances for conditional grants for the years ended December 31, 2024 and 2023.

Donations

During the years ended December 31, 2024 and 2023, the Coalition received restricted and unrestricted donations. The donations were reported as revenue when received and all conditions were met. As of the years ended December 31, 2024 and 2023, all conditions and restrictions were met.

NORTHLAKE HOMELESS COALITION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

11. UNCERTAIN TAX POSITIONS:

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. The Coalition believes it has appropriate support for any tax positions taken, and management has determined that there are no uncertain tax positions that are material to the financial statements. Penalties and interest assessed by income taxing authorities, if any, would be included in income tax expense.

12. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The Coalition monitors liquidity required to meet its operating needs and other contractual commitments. Expenditures are generally met within 30 days, utilizing the financial resources the Coalition has available.

As of December 31, 2024 and 2023, financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, consist of the following:

	<u>2024</u>	<u>2023</u>
Cash	\$ 96,193	\$ 112,840
Grants receivables	175,288	146,470
	<u>\$ 271,481</u>	<u>\$ 259,310</u>

13. ECONOMIC DEPENDENCY:

A significant amount of the Coalition's funding is provided through federal and state grants. If significant budget cuts are incurred by grantors, the amount of funds received by the Coalition could be significantly reduced and adversely affect the Coalition's operations. Management is not aware of any actions that will adversely affect the amount of funding to be received by the Coalition in the next fiscal year.

14. RETIREMENT PLAN:

The Coalition adopted a 403(b) retirement plan. Employees are eligible to participate in the plan upon employment, but the employer's contribution is not allocated to the employee participant accounts until after one year of service. Covered employees may voluntarily contribute up to the IRS limit. Full vesting of benefits occurs after six years of employment. The Coalition makes a discretionary contribution equal to uniform percentage or dollar amount of employee's elective deferral. The Coalition remitted contributions for the years ended December 31, 2024 and 2023 in the amount of \$13,417 and \$-0-, respectively.

15. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through the date that the financial statements were available to be issued, which was September 30, 2025.

SUPPLEMENTARY INFORMATION

NORTHLAKE HOMELESS COALITION
SUPPLEMENTARY INFORMATION
SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2024

Agency Head Name: Amanda Stapleton, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 82,102
Benefits	2,235
Special meals	781
Reimbursements*	147
Per diem	177
Travel - mileage	4,661
Travel - airfare/hotel	502
Cell phone	372
	<u>\$ 90,977</u>

* *Reimbursements were business expenses related to the Coalition*

Louisiana Revised Statute (R.S.) 24:513(A)(3) as amended by Act 706 of the 2014 Regular Legislative Session requires that the total compensation, reimbursements, and benefits of an agency head or political subdivision head or chief executive officer related to the position, including but not limited to travel, housing, unvouchered expense, per diem, and registration fees be reported as a supplemental report within the financial statements of local government and quasi-public auditees. In 2015, Act 462 of the 2015 Regular Session of the Louisiana Legislature further amended R.S. 24:513(A)(3) to clarify that nongovernmental entities or not-for-profit entities that received public funds shall report only the use of public funds for the expenditures itemized in the supplemental report.



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

September 30, 2025

Board of Directors
Northlake Homeless Coalition
Slidell, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Northlake Homeless Coalition (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 30, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Coalition'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*, which is described in the accompanying schedule of findings as item 2024-01.

Northlake Homeless Coalition's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Coalition'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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Duplantier, Chapman, Hogan and Parker, LLP

Metairie, Louisiana



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

September 30, 2025

Board of Directors
Northlake Homeless Coalition
Slidell, Louisiana

Report on Compliance for Each Major Federal 56

Opinion on Each Major Federal Program

We have audited Northlake Homeless Coalition's (the Coalition) 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 the Coalition's major federal program for the year ended December 31, 2024. The Coalition's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Coalition 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 program for the year ended December 31, 2024.

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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; 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 Coalition 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 Coalition'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 Coalition's federal programs.

Auditors' 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 the Coalition's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Coalition'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 Coalition'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 Coalition'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 and the Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of the Coalition'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.

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. 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.

Duplantier, Sharpness, Hogan and Stokes, LLP

Metairie, Louisiana

NORTHLAKE HOMELESS COALITION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

Federal Grantor/ Pass-Through Grantor/ <u>Program Name</u>		<u>Grant Number</u>	Assistance <u>Listing Number</u>	<u>Federal Expenditures</u>
<u>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Continuum of Care Program	HMIS	LA0330L6H062204	14.267	\$ 117,161
Continuum of Care Program	HMIS Admin	LA0330L6H062204	14.267	11,909
Continuum of Care Program	Planning Grant	LA0394L6H062200	14.267	85,373
Continuum of Care Program	CAAS SS	LA0329L6H062204	14.267	227,002
Continuum of Care Program	CAAS Admin	LA0329L6H062204	14.267	21,049
Continuum of Care Program (DV)	CAAS DV SS	LA0351D6H062203	14.267	105,230
Continuum of Care Program (DV)	CAAS DV	LA0351D6H062203	14.267	13,548
Continuum of Care Program (DV)	CAAS DV Admin	LA0351D6H062203	14.267	20,764
Total received directly from U.S. Department of Housing and Urban Development				<u>602,036</u>
<u>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Passed through Louisiana Housing Corporation				
Emergency Solutions Grant		N/A	14.231	<u>138,077</u>
Total passed thorough Louisiana Housing Corp.				<u>138,077</u>
<u>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Passed through St. Tammany Parish Government				
American Rescue Plan		N/A	21.027	<u>166,004</u>
Total passed through St. Tammany Parish Government				<u>166,004</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ 906,117</u>

NORTHLAKE HOMELESS COALITION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2024

1. BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards includes the federal award activity of Northlake Homeless Coalition under programs of the federal government for the year ended December 31, 2024. The information in the schedule of expenditures of federal awards is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule of expenditures of federal awards presents only a selected portion of the operations of Northlake Homeless Coalition, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Northlake Homeless Coalition.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accompanying schedule of expenditures of federal awards includes the federal award activity of Northlake Homeless Coalition and is presented on the accrual basis of accounting. Grant revenues are recorded, for financial reporting purposes, when Northlake Homeless Coalition has met the cost of reimbursement or funding qualifications for the respective grants.

3. INDIRECT COST RATE:

During the year ended December 31, 2024, the Coalition elected to use the 10% de minimis cost rate as covered in §200.414 of *The Uniform Guidance*.

NORTHLAKE HOMELESS COALITION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2024

SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

Type of auditor's report issued: Unmodified

Internal Control Over Financial Reporting:

- Material weakness(es) identified? yes Xno
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes Xno

Noncompliance material to financial statements noted? Xyes no

Federal Awards:

Internal control over major programs:

- Material weakness(es) identified? yes Xno
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes Xno

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with §200.516 of *The Uniform Guidance*: yes Xno

Identification of major program:

Assistance

Listing

Number

14.267

Program Title

Continuum of Care Program

Federal

Expenditure

\$602,036

- The threshold for distinguishing types A & B programs \$750,000
- Northlake Homeless Coalition did not qualify as a low-risk auditee.

NORTHLAKE HOMELESS COALITION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2024

FINDINGS REQUIRED TO BE REPORTED UNDER *GOVERNMENT AUDITING*
STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA:

2024-01 Late Submission of Audit Report to LLA

Condition:

The audit for the fiscal year ended December 31, 2024 was not submitted to the LLA office within six months after year end as required by state statutes.

Criteria:

Per LSA-R.S.24.513, audit reports must be submitted no later than six months of months of close of the auditee fiscal year. Timely submission ensures compliance with regulatory requirements and reliable financial information for decision-making.

Cause:

The delay in submission was primarily due to property damage of auditee's office, weather delays and monthly CPA transition during the fiscal year ended.

Effect:

Late submission of the audit report resulted in noncompliance with applicable laws.

Recommendation:

Management should implement controls to ensure timely audit completion and submission, including: establishing a clear timeline with milestones for audit preparation and review and ensuring financial records are prepared and reconciled well in advance of the audit period.

Management Response:

Management concurs with this finding. Steps will be taken to ensure future audit reports are submitted on time.

FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS:

None

PRIOR YEAR FINDINGS:

None

NORTHLAKE HOMELESS COALITION

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

FOR THE FISCAL YEAR
JANUARY 01, 2024–DECEMBER 31, 2024

NORTHLAKE HOMELESS COALITION

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

September 29, 2025

Board of Directors
Northlake Homeless Coalition
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 Statewide Agreed-Upon Procedures (SAUPs) for the year January 01, 2024 through December 31, 2024. Northlake Homeless Coalition's management is responsible for the control and compliance areas identified in the SAUPs.

Northlake Homeless Coalition (Coalition) 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 year January 01, 2024 through December 31, 2024. 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:

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1. **Bank Reconciliations**

- A. Obtain a listing of entity bank accounts for the calendar year 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 selected 4 additional accounts (or all accounts if less than 5). Randomly select one month from the calendar year, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observed 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 it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: Upon applying the procedures above, we noted the following:

- There was no written evidence the reconciliation was reviewed by a member of management/board member.
- The selected month's bank reconciliation was prepared 2 and a half months after the bank statements closing date.
- There was no documentation that management had researched reconciling items that have been outstanding for more than 12 months from the statements closing date.

Management's Response: Management will implement a procedure that will require a signature of management or board member documenting review of the bank reconciliations.

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

- A. Obtain a listing of locations that process payments for the calendar year and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Results: We noted no findings as a result of applying the above agreed-upon procedures.

- B. For each location selected under #2A 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.

Results: Upon applying the procedures above, we noted that there were no procedures in place regarding those authorized to sign checks are the only ones whom can approve electronic disbursements (release) of funds.

Management's Response: The Coalition will update their policies to include the approval and payment processes for disbursement of funds via ACH, EFT, wire transfer or other electronic means.

- C. For each location selected under #2A above, we obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursement) 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 the disbursement matched the related original itemized invoice and supporting documentation indicated deliverables included on the invoice were received by the entity.
 - ii. Observe the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #2B above, as applicable.

Results: We noted no findings as a result of applying the above agreed-upon procedures.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #1A, 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: We noted no findings as a result of applying the above agreed-upon procedures.

3. 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 calendar year, 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.

Results: We noted no findings as a result of applying the above agreed-upon procedures.

- B. Using the listing prepared by management randomly select 5 cards (or all cards if less than 5) that were used during the calendar year. 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 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.

Results: There is no evidence that the monthly statement and supporting documents were reviewed and approved by someone other than the authorized card holder.

Management's Response: The Coalition will implement a procedure to have someone other than the credit card holder to approve all monthly statements.

- C. Using the monthly statements or combined statements selected under #3B 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. 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. For each transaction, observe it is supported by:
- i. An original itemized receipt that identifies precisely what was purchased,
 - ii. Written documentation of the business/public purpose,
 - iii. Documentation of the individuals participating in meals (for meals charges only)

Results: We noted no findings as a result of applying the above agreed-upon procedures.

September 29, 2025

We were engaged by Northlake Homeless Coalition 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 Northlake Homeless Coalition 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 results 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 Louisiana Legislative Auditor as a public document.

Duplantier, Sharpner, Hogan and Parker, LLP

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