

CENLA COMMUNITY ACTION COMMITTEE, INC.

AUDITED FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2022

CENLA COMMUNITY ACTION COMMITTEE, INC.

TABLE OF CONTENTS

	EXHIBIT	PAGE(S)
Independent Auditor's Report		1 - 3
Statement of Financial Position	I	4
Statement of Activities	II	5
Statement of Functional Expenses	III	6
Statement of Cash Flows	IV	7
Notes to the Financial Statements		8 - 12
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		13 - 14
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance		15 - 17
Schedule of Expenditures of Federal Awards		18
Notes to Schedule of Expenditures of Federal Awards		19
SUPPLEMENTARY INFORMATION		20
	<u>SCHEDULE</u>	
Combining Schedule of Revenues	A	21
Schedule of Revenues and Expenditures	C-E	22 - 25
Schedule of Compensation, Benefits, Reimbursements, and Other Payments to Chief Executive Officer	F	26
Schedule of Findings and Questioned Costs		27
Summary Schedule of Prior Year Audit Findings		



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

INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the accompanying financial statements of CENLA Community Action Committee, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2022, 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 referred to above present fairly, in all material respects, the financial position of CENLA Community Action Committee, Inc. as of September 30, 2022, 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. 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 CENLA Community Action Committee, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the 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 CENLA Community Action Committee, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 CENLA Community Action Committee, 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about CENLA Community Action Committee, Inc.'s ability to continue as a going concern for a reasonable period of time.

Other-Matters

Other Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2023, on our consideration of CENLA Community Action Committee, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of CENLA Community Action Committee, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CENLA Community Action Committee, Inc.'s internal control over financial reporting and compliance.

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.


Ridgeland, Mississippi
March 29, 2023

CENLA COMMUNITY ACTION COMMITTEE, INC.
Statement of Financial Position
September 30, 2022

ASSETS

Current Assets:	
Cash and cash equivalents	\$ 112,035
Grants and contracts receivables	<u>277,058</u>
Total Current Assets	<u>389,093</u>
Property and Equipment	
Furniture and equipment	<u>28,717</u>
Total Property and Equipment	28,717
Less: Accumulated depreciation	<u>(28,717)</u>
Net Property and Equipment	<u>-</u>
 TOTAL ASSETS	 <u>\$ 389,093</u>

LIABILITIES AND NETS ASSETS

Current Liabilities:	
Accounts payable	\$ 2,077
Accrued annual leave	26,810
Accrued payroll payable	<u>9,065</u>
Total Current Liabilities	<u>37,952</u>
 TOTAL LIABILITIES	 <u>37,952</u>
NET ASSETS	
Net Assets Without Donor Restrictions	335,423
Net Assets With Donor Restrictions	<u>15,718</u>
Total Net Assets	<u>351,141</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 389,093</u>

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

CENLA COMMUNITY ACTION COMMITTEE, INC.
Statement of Activities
For the Year Ended September 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2022</u>
SUPPORT AND REVENUES:			
SUPPORT:			
Grants and contracts	\$ 3,286,588	65,713	\$3,352,301
Net assets released from restrictions for satisfaction of program requirements	<u>65,713</u>	<u>(65,713)</u>	<u>-</u>
Total Support	<u>3,352,301</u>	<u>-</u>	<u>3,352,301</u>
REVENUES:			
Other revenue	<u>3,400</u>	<u>-</u>	<u>3,400</u>
Total Revenues	<u>3,400</u>	<u>-</u>	<u>3,400</u>
TOTAL SUPPORT AND REVENUES	<u>3,355,701</u>	<u>-</u>	<u>3,355,701</u>
EXPENSES:			
PROGRAM SERVICES:			
Community services	647,567	-	647,567
Energy assistance and conservation	2,505,461	-	2,505,461
Senior aid and services	<u>38,724</u>	<u>-</u>	<u>38,724</u>
Total Program Services	<u>3,191,752</u>	<u>-</u>	<u>3,191,752</u>
SUPPORTIVE SERVICES:			
General and administrative	<u>39,786</u>	<u>-</u>	<u>39,786</u>
Total Supportive Services	<u>39,786</u>	<u>-</u>	<u>39,786</u>
TOTAL EXPENSES	<u>3,231,538</u>	<u>-</u>	<u>3,231,538</u>
Change in net assets	124,163	-	124,163
Net Assets at, Beginning of Year	<u>211,260</u>	<u>15,718</u>	<u>226,978</u>
NET ASSETS, END OF Year	<u>\$ 335,423</u>	<u>15,718</u>	<u>\$ 351,141</u>

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

CENLA COMMUNITY ACTION COMMITTEE, INC.
Statement of Functional Expenses
For the Year Ended September 30, 2022

	Community Services	Energy Assistance and Conservation	Senior Aid and Services	Total Program Services Expenses	General and Administrative	Total Expenses
EXPENSES:						
Salaries and wages	\$ 320,964	163,533	23,267	507,764	9,545	\$ 517,309
Payroll tax expense	77,735	2,240	6,371	86,346	-	86,346
Fringe benefits	-	2,604	-	2,604	-	2,604
Supplies	44,647	24,209	2,565	71,421	17,705	89,126
Travel and conference	10,898	4,447	-	15,345	(127)	15,218
Space cost	14,611	20,827	2,878	38,316	1,354	39,670
Utilities	2,465	3,343	353	6,161	-	6,161
Telephone	7,042	5,580	387	13,009	37	13,046
Insurance and bonding	14,527	3,246	498	18,271	2,588	20,859
Postage	128	38	15	181	12	193
Repair and maintenance of building	2,487	-	-	2,487	-	2,487
Board expense	1,295	-	-	1,295	-	1,295
Publication and printing	3,266	-	84	3,350	-	3,350
Specific assistance	139,384	2,251,991	345	2,391,720	-	2,391,720
Contractual	8,114	16,386	865	25,365	1,549	26,914
Advertisement	-	2,314	-	2,314	274	2,588
Dues and subscriptions	(216)	4,662	1,096	5,542	(734)	4,808
Legal and accounting	-	-	-	-	7,495	7,495
Bank service charges	176	-	-	176	88	264
Other	44	41	-	85	-	85
Total expenses before depreciation	<u>647,567</u>	<u>2,505,461</u>	<u>38,724</u>	<u>3,191,752</u>	<u>39,786</u>	<u>3,231,538</u>
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENSES	<u>\$ 647,567</u>	<u>2,505,461</u>	<u>38,724</u>	<u>3,191,752</u>	<u>39,786</u>	<u>\$ 3,231,538</u>

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

CENLA COMMUNITY ACTION COMMITTEE, INC.
Statement of Cash Flows
For the Year Ended September 30, 2022

CASH FLOWS USED FOR OPERATING ACTIVITIES:	
Changes in Net Assets	\$ 124,163
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
(Increase) decrease in:	
Grants receivable	(143,466)
Increase (decrease) in:	
Accounts payable	(12,087)
Accrued payroll	1,786
Accrued annual leave	<u>1,349</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>(28,255)</u>
NET INCREASE (DECREASE) IN CASH	(28,255)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>140,290</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 112,035</u>

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

CENLA COMMUNITY ACTION COMMITTEE, INC.
Notes to the Financial Statements
For the Year Ended September 30, 2022

NOTE 1 - BACKGROUND

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

CENLA COMMUNITY ACTION COMMITTEE, INC.
Notes to the Financial Statements
For the Year Ended September 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

The Organization has adopted recently issued accounting principles related to uncertain tax positions for the year ended September 30, 2022, and has evaluated its tax positions taken for all open tax years. Currently, the 2018, 2019 and 2020 tax years are open and subject to examination by the Internal Revenue Service; however, the Organization is not currently under audit nor has the Organization been contacted by any of these jurisdictions.

Based on the evaluation of the Organization's tax positions, management believes all positions taken would be upheld under an examination; therefore, no provision for the effects of uncertain tax positions has been recorded for the year ended September 30, 2022.

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

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

CENLA COMMUNITY ACTION COMMITTEE, INC.
Notes to the Financial Statements
For the Year Ended September 30, 2022

NOTE 3 - CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances at a financial institution which is insured by the Federal Deposit Insurance Corporation. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of September 30, 2022, the Organization cash balances were fully insured.

NOTE 4 - LIQUIDITY AND AVAILABILITY

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

The following table reflects the Organization's financial assets as of September 30, 2022, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of internal board designations. In the event the need arises to utilize the board-designated funds for liquidity purposes, the reserves could be drawn upon through board resolution. Amounts not available to meet general expenditures within one year also may include net assets with donor restrictions. There were no net assets with donor restrictions at September 30, 2022.

Financial assets available for general expenditure at September 30, 2022, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 112,035
Grants Receivable	<u>277,058</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 389,093</u>

NOTE 5 - PROPERTY AND EQUIPMENT

A summary of property and equipment as of September 30, 2022 is as follows:

Description	Balance at 09/30/2022
Furniture and equipment	\$ <u>28,717</u>
Total Property and Equipment	28,717
Less: accumulated depreciation	<u>(28,717)</u>
Net Property and Equipment	<u>\$ -</u>

There is no depreciation expense for the year ended September 30, 2022.

CENLA COMMUNITY ACTION COMMITTEE, INC.
Notes to the Financial Statements
For the Year Ended September 30, 2022

NOTE 6 - GRANT BALANCES AND GRANT CONDITIONS

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

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

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

NOTE 7 - RETIREMENT PLAN

The Organization adopted a defined contribution pension plan that has been determined by the Internal Revenue Services to meet the requirements for qualifications under Section 403(b) of the Internal Revenue Code, and which permits or requires amounts contributed there under to be applied under the contract on behalf of employees covered by the plan. Employees eligible to participate may contribute \$9,500 or 20% of their annual salary to the plan. CENLA will match the employees' contribution up to 5% of the employees' gross annual salary. The assets of the plan are managed by separate directors and are not included in the financial statements. For year ended September 30, 2022, CENLA contributions to the 403(b) Plan totaled \$38,972.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Operating Leases

The following is a schedule by years of minimum future space rentals on non-cancelable operating leases for the administrative offices as of September 30, 2022.

Year Ending September 30:	Amount
2023	\$ 37,320
2024	37,320
2025	18,660
TOTALS	\$ 93,300

CENLA leases an office building operating leases. Rent expense for the year ended September 30, 2022 totaled \$39,670.

NOTE 9 - CONCENTRATION OF CONTRIBUTIONS OR GRANTS

Approximately 94.00% of the Organization's funding is provided by grants from the U. S. Department of Health and Human Services.

CENLA COMMUNITY ACTION COMMITTEE, INC.
Notes to the Financial Statements
For the Year Ended September 30, 2022

NOTE 10 - LITIGATION

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

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

NOTE 11 - NET ASSETS WITH DONOR RESTRICTIONS

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

	<u>2022</u>
Subject to expenditures for specific purpose:	
Emergency Food & Shelter Program Assistance	\$ <u>15,718</u>
Total	\$ <u><u>15,718</u></u>

NOTE 12 - SUBSEQUENT EVENTS

Events that occur after the Statement of Financial Position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Financial Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Financial Position date require disclosure in the accompanying notes. Management of CENLA Community Action Committee, Inc., evaluated the activity of the Organization through March 29, 2023, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of CENLA Community Action Committee, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 29, 2023.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether CENLA Community Action Committee, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Brown, Eng & Co.

Ridgeland, Mississippi
March 29, 2023



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

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited CENLA Community Action Committee, 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 CENLA Community Action Committee, Inc.'s major federal programs for the year ended September 30, 2022. CENLA Community Action Committee, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, CENLA Community Action Committee, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

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 CENLA Community Action Committee, 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 CENLA Community Action Committee, Inc.'s compliance with the compliance

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 CENLA Community Action Committee, Inc.'s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on CENLA Community Action Committee, 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 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 CENLA Community Action Committee, 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 CENLA Community Action Committee, 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 '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 CENLA Community Action Committee, 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.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance.

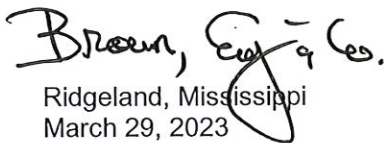
Report on Internal Control over Compliance

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 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.


Ridgeland, Mississippi
March 29, 2023

CENLA COMMUNITY ACTION COMMITTEE, INC.
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2022

Federal Grant/ Pass-Through Grantor Program Title	Assistance Listing Number	Pass-Through Grant Number	Federal Expenditures
<u>U. S. Department Of Human Services</u>			
Pass through State of Louisiana: Office of Workforce Development			
<i>Community Service Block Grant Cluster Program:</i>			
CARES Act Community Service Block Grant	93.569	2001LACSC3	\$ 233,576
Community Service Block Grant -	93.569	2021N0014	<u>413,991</u>
Total Community Service Block Grant Cluster Program			<u>647,567</u>
Pass through State of Louisiana Housing Corporation:			
Low-Income Home Energy Assistance Program	93.568	LIHEAP 2021	1,585,275
CARES Act Low-Income Home Energy Assistance Program	93.568	LIHEAP 2021	<u>920,186</u>
			<u>2,505,461</u>
Total U. S. Department of Health and Human Services			<u>3,153,028</u>
<u>U.S. Department of Housing and Urban Development</u>			
Pass through State of Louisiana			
Housing Counseling Grant	14.169	N/A	<u>65,713</u>
Total U.S. Department of Housing & Urban Development			<u>65,713</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 3,218,741</u>

CENLA COMMUNITY ACTION COMMITTEE, INC.
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2022

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of CENLA Community Action Committee, Inc. under programs of the federal government for the year ended September 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of CENLA Community Action Committee, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of CENLA Community Action Committee, Inc.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

CENLA COMMUNITY ACTION COMMITTEE, INC.

SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2022

SCHEDULE A

CENLA COMMUNITY ACTION COMMITTEE, INC.
 Combining Schedule of Revenues
 For the Year Ended September 30, 2022

	<u>Community Services and Economic Development</u>	<u>Energy Assistance and Conservation</u>	<u>General Fund</u>	<u>Senior Citizens Program</u>	<u>Total</u>
REVENUES:					
Grants and contracts	\$ 647,567	2,505,461	-	133,560	\$ 3,286,588
Other revenue	<u>-</u>	<u>-</u>	<u>3,400</u>	<u>-</u>	<u>3,400</u>
TOTAL SUPPORT AND REVENUES	<u>\$ 647,567</u>	<u>2,505,461</u>	<u>3,400</u>	<u>133,560</u>	<u>\$ 3,289,988</u>



SCHEDULE B

CENLA COMMUNITY ACTION COMMITTEE, INC.
 Community Service Programs
 Combining Schedule of Revenues and Expenses
 For the Year Ended September 30, 2022

	Community Service Block Grant Program	Community Service Block Grant Program (CARES ACT)	TOTAL
REVENUES:			
Grants and contracts	\$ 413,991	233,576	\$ 647,567
TOTAL SUPPORT AND REVENUES	<u>413,991</u>	<u>233,576</u>	<u>647,567</u>
EXPENSES:			
Program Services			
Salaries and wages	234,984	85,980	320,964
Payroll tax expense	67,491	10,244	77,735
Supplies	35,371	9,276	44,647
Travel and conferences	10,898	-	10,898
Space cost	14,611	-	14,611
Utilities	2,465	-	2,465
Telephone	1,181	5,861	7,042
Insurance and bonding	14,527	-	14,527
Postage	128	-	128
Repair and maintenance	2,487	-	2,487
Board expense	1,295	-	1,295
Publication and printing	3,266	-	3,266
Specific assistance	17,169	122,215	139,384
Contractual	8,114	-	8,114
Dues and subscriptions	(216)	-	(216)
Bank service charges	176	-	176
Other	44	-	44
Total Program Services	<u>413,991</u>	<u>233,576</u>	<u>647,567</u>
Excess Revenues Over (Under) Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SCHEDULE C

CENLA COMMUNITY ACTION COMMITTEE, INC.
 Energy Assistance and Conservation
 Combining Schedule of Revenues and Expenses
 For the Year Ended September 30, 2022

	<u>LIHEAP Grant Program</u>	<u>LIHEAP Grant (CARES)</u>	<u>TOTAL</u>
REVENUES:			
Grants and contracts	\$ <u>1,585,275</u>	<u>920,186</u>	\$ <u>2,505,461</u>
TOTAL SUPPORT AND REVENUES	<u>1,585,275</u>	<u>920,186</u>	<u>2,505,461</u>
EXPENSES:			
Program Services			
Salaries and wages	163,533	-	163,533
Payroll tax expense	2,240	-	2,240
Fringe benefits	2,604	-	2,604
Supplies	24,209	-	24,209
Travel and conferences	4,447	-	4,447
Space cost	20,827	-	20,827
Utilities	3,343	-	3,343
Telephone	5,580	-	5,580
Insurance and bonding	3,246	-	3,246
Postage	38	-	38
Specific assistance	1,331,805	920,186	2,251,991
Contractual	16,386	-	16,386
Advertisement	2,314	-	2,314
Dues and subscription	4,662	-	4,662
Other	<u>41</u>	<u>-</u>	<u>41</u>
Total Expenses	<u>1,585,275</u>	<u>920,186</u>	<u>2,505,461</u>
Excess Revenues Over (Under) Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SCHEDULE D

CENLA COMMUNITY ACTION COMMITTEE, INC.
 Senior Aid and Services
 Schedule of Revenues and Expenses
 For the Year Ended September 30, 2022

	<u>Senior Citizens Program</u>
REVENUES:	
Grant revenue (non-federal)	\$ <u>133,560</u>
TOTAL SUPPORT AND REVENUES	<u>133,560</u>
EXPENSES	
Salaries	23,267
Payroll tax expense	6,371
Supplies	2,565
Space cost	2,878
Utilities	353
Telephone	387
Insurance and bonding	498
Postage	15
Publication and printing	84
Specific assistance	345
Contractual	865
Dues and subscriptions	<u>1,096</u>
Total Expenses	<u>38,724</u>
Excess Revenues Over (Under) Expenses	<u>\$ 94,836</u>

SCHEDULE E

CENLA COMMUNITY ACTION COMMITTEE, INC.
 General and Administrative
 Schedule of Revenues and Expenses
 For the Year Ended September 30, 2022

	<u>General and Administrative</u>
REVENUES:	
Grant revenue	\$ 65,713
Other	<u>3,400</u>
Total Revenues	\$ <u>69,113</u>
TOTAL SUPPORT AND REVENUES	<u>69,113</u>
EXPENSES	
Salaries and wages	9,545
Supplies	17,705
Travel and conferences	(127)
Space cost	1,354
Telephone	37
Insurance and bonding	2,588
Postage	12
Contractual	1,549
Advertisement	274
Dues and subscriptions	(734)
Legal, audit and accounting	7,495
Bank service charges	<u>88</u>
Total Expenses	<u>39,786</u>
Excess Revenues Over (Under) Expenses	<u>\$ 29,327</u>

SCHEDULE F

CENLA COMMUNITY ACTION COMMITTEE, INC.
 Schedule of Compensation, Benefits, Reimbursements, and Other Payments to Chief Executive Officer
 For the Year Ended September 30, 2022

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

<u>Category</u>	<u>Amount</u>	<u>Total</u>
Salary	\$ <u>78,853</u>	
Total salary		\$ 78,853
Benefits:		
Health insurance	\$ 1,516	
Social security	4,705	
Medicare	1,100	
Retirement	<u>3,383</u>	
Total benefits		10,704
Travel:		
Conference	1,431	
Airfare and lodging	<u>432</u>	
Total travel		<u>1,863</u>
Total Compensation, Benefits, Travel, and Other Expenses		<u>\$ 91,420</u>

CENLA COMMUNITY ACTION COMMITTEE, INC.
 Schedule of Findings and Questioned Costs
 Year Ended September 30, 2022

SECTION 1. SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

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

Federal Awards:

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

SECTION 2. FINDING - FINANCIAL STATEMENTS AUDIT

NONE

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

NONE

CENLA COMMUNITY ACTION COMMITTEE, INC.
Summary Schedule of Prior Year Audit Findings
For the Year Ended September 30, 2022

There were no findings for the year ended September 30, 2021

CENLA COMMUNITY ACTION COMMITTEE, INC.
AGREED UPON PROCEDURES REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2022



INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
Cenla Community Action Committee, Inc.
Alexandria, Louisiana
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period October 1, 2021 through September 30, 2022. Cenla Community Action Committee, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

Cenla Community Action Committee, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period October 1, 2021 through September 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **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).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **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.
- j) **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.
- k) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

No exceptions were found as a result of this procedure.

Board or Finance Committee

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

No exceptions were found as a result of this procedure.

Bank Reconciliations

- 3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - b) 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 (e.g., initialed and dated, electronically logged); and

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

We selected the September 2022 bank reconciliations to review. We noted that all selected bank account reconciliations were prepared within 2 months of the closing date and there were no reconciling items that were outstanding more than 12 months from the statement date. The bank reconciliations also included evidence that they were reviewed by management who does not handle cash, post ledgers, or issue checks.

Collections

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Not applicable. The Organization does not receive cash at its operating location.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if 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:

Not Applicable

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

Not Applicable

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

Not Applicable

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Not Applicable

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

Not Applicable

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

No exceptions were found as a result of this procedure.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

a) Observe that receipts are sequentially pre-numbered.

Not Applicable

b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Not Applicable

c) Trace the deposit slip total to the actual deposit per the bank statement.

Not Applicable

d) 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).

Not Applicable

e) Trace the actual deposit per the bank statement to the general ledger.

Not Applicable

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

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

Management provided the requested information, along with management's representation that the listing is complete. There was only one location.

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

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

During observation, there are at least two employees are involved in initiating a purchase request (Requestor), approving a purchase (Executive Director), and placing an order/making the purchase (Program Officer).

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

During observation, there are at least two employees are involved in processing (Accounting Manager) and approving payments to vendors (Executive Director).

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

During observation, the employee responsible for processing payments (Accounting Manager) is not the same employee adding/modifying vendor files (Accounts Payable Clerk).

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

During observation, the employee/official responsible for signing checks (Executive Director) gives the payment to an employee to mail the payment (Accounts Payable Clerk) is not responsible for processing payments (Accounting Manager).

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

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. 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.

Management provided a listing of all active credit/debit/fuel cards for FY22, including the card numbers and the names of the persons who maintained possession of the cards. Management also represented that the listing was complete.

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

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

During our testing of the selected monthly statements/combined statements, we noted that none of the monthly statements were reviewed and approved, in writing, by someone other than the authorized card holder.

MANAGEMENT RESPONSE:

CENLA Community Action Committee, Inc., is in the process of updating The Accounting Manual. The policies/procedures will be amended to ensure monthly statements are reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

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

Per review of the monthly statements, there were late fees assessed on 2 out of the 5 cards selected for testing in a total amount of \$78.00.

MANAGEMENT RESPONSE:

CENLA Community Action Committee Inc., will ensure that our bill payment policy is reinforced. All payments will be made a minimum of seven (7) business days in advance.

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

No exceptions were found as a result of this procedure.

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

14. 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:

Management provided a listing of all travel and travel-related expense reimbursements for FY22. Management also represented that the listing was complete.

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

No exceptions were found as a result of this procedure.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

No exceptions were found as a result of this procedure.

- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No exceptions were found as a result of this procedure.

- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions were found as a result of this procedure.

Contracts

15. 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:

Management provided 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. Management also represented that the listing was complete.

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

Management did not adopt neither the LA Public Bid Law nor the LA Procurement Code. Therefore, not required by law to follow.

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

Management provided documentation that contracts were approved by the governing board.

- c) 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)..

During our review of contracts, we noted there were no contracts that were amended.

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

No exceptions were found as a result of this procedure.

Payroll and Personnel

16. 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.

Management provided a listing of all employees and officials employed during the fiscal period. Management also represented that the listing was complete.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

19. 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.

The Accounting Manager confirmed that the 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.

Fraud Notice

20. 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.

During inquiry, management is not aware of any misappropriations of public funds and assets during the fiscal period.

21. Observe 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.

We observed the entity had posted on its premises that were visited, and on their website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Information Technology Disaster Recovery/Business Continuity

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

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management. No exceptions were found as a result of this procedure.

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

We performed the procedure and discussed the results with management. No exceptions were found as a result of this procedure.

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

We performed the procedure and discussed the results with management. No exceptions were found as a result of this procedure.

We were engaged by Cenla Community Action Committee, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review, 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 Cenla Community Action Committee, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is 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.

Brown, Eng & Co.
Ridgeland, Mississippi
March 29, 2023