

Inner-City Revitalization Corporation

Alexandria, Louisiana

Financial Statements

December 31, 2021

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KnightMasden

A Professional Accounting Corporation

John E. Theriot II, CPA, CGMA

Dona C. Manuel, CPA

Stephanie R. Lemoine, CPA

Independent Accountants' Review Report

Board of Directors
Inner-City Revitalization Corporation
Alexandria, Louisiana

We have reviewed the accompanying financial statements of Inner-City Revitalization Corporation (a corporation), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion. We are required to be independent of Inner-City Revitalization Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

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Supplementary Information

The supplementary information included in Schedule of Compensation, Benefits and Other Payments to Executive Director is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Report on Summarized Comparative Information

We have previously audited Inner-City Revitalization Corporation's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 29, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.


KnightMasden

Alexandria, Louisiana
June 27, 2022



Inner-City Revitalization Corporation
 Statements of Financial Position
 December 31, 2021

	<u>2021</u>	2020 Summarized <u>Total</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 568,483	\$ 366,400
Notes receivable - current portion	61,838	72,970
Inventory	502	553,567
Investments	25,849	23,760
Prepaid expenses	<u>5,013</u>	<u>3,743</u>
Total Current Assets	661,685	1,020,440
Plant, Property and Equipment, net	1,486,717	1,590,422
Other Assets		
Deposits	1,200	3,064
Notes receivable - net of current portion	467,263	409,501
Restricted cash	<u>437,260</u>	<u>206,132</u>
Total Other Assets	<u>905,723</u>	<u>618,697</u>
Total Assets	<u>\$ 3,054,125</u>	<u>\$ 3,229,559</u>
Liabilities and Net Assets		
Current Liabilities		
Payroll liabilities	\$ 7,327	\$ 11,245
Rental deposits and escrow accounts	12,920	14,219
Accrued liabilities	294	300
Notes payable	<u>-</u>	<u>414,537</u>
Total Current Liabilities	20,541	440,301
Net Assets		
without Donor Restriction	2,083,928	2,104,894
with Donor Restriction	<u>949,656</u>	<u>684,364</u>
Total Net Assets	<u>3,033,584</u>	<u>2,789,258</u>
Total Liabilities and Net Assets	<u>\$ 3,054,125</u>	<u>\$ 3,229,559</u>

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

Inner-City Revitalization Corporation
 Statements of Activities
 For the Year Ended December 31, 2021

	<u>without Donor</u>	<u>2021</u> <u>with Donor</u>	<u>Total</u>	<u>2020</u> <u>Summarized</u>
	<u>Restrictions</u>	<u>Restrictions</u>		<u>Total</u>
Revenues				
Contributions, gifts and grants	\$ 648,280	\$ 20,216	\$ 668,496	\$ 752,340
Investment income	2,771	281	3,052	3,880
Program income	216,739	491,133	707,872	686,160
Other income	<u>43,662</u>	<u>-</u>	<u>43,662</u>	<u>42,292</u>
Total Revenues	911,452	511,630	1,423,082	1,484,672
Net Assets released from restrictions	246,338	(246,338)	-	-
Functional Expenses				
Program Services				
Rental activities	215,272	-	215,272	231,113
Subdivision lots	893,734	-	893,734	851,037
Supporting Services				
Management and general	<u>69,750</u>	<u>-</u>	<u>69,750</u>	<u>89,188</u>
Total Functional Expenses	<u>1,178,756</u>	<u>-</u>	<u>1,178,756</u>	<u>1,171,338</u>
Change in Net Assets	(20,966)	265,292	244,326	313,334
Net Assets - Beginning	<u>2,104,894</u>	<u>684,364</u>	<u>2,789,258</u>	<u>2,475,924</u>
Net Assets - Ending	<u>\$ 2,083,928</u>	<u>\$ 949,656</u>	<u>\$ 3,033,584</u>	<u>\$ 2,789,258</u>

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

Inner-City Revitalization Corporation
 Statements of Cash Flows
 For the Year Ended December 31, 2021

	<u>2021</u>	2020 Summarized <u>Total</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ 244,326	\$ 313,334
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities		
Depreciation	65,625	65,625
Financed closing cost	(119,867)	(122,087)
Forgiveness of mortgage payable	(414,537)	(707,004)
Forgiveness of mortgage receivable	70,543	46,160
Gain on sale of fixed asset	(2,141)	-
(Increase) decrease in inventory	553,659	(194,482)
Increase (decrease) in other liabilities	(5,223)	(965)
Net Cash Provided/(Used) by Operating activities	<u>392,385</u>	<u>(599,419)</u>
Cash flows from Investing Activities		
Investment (income) loss	(2,089)	(3,118)
Proceeds from sale of fixed asset	40,217	-
Payments received on notes receivable	2,698	3,213
Purchase of plant, property and equipment	-	(59,343)
Net Cash Provided/(Used) by Investing Activities	<u>40,826</u>	<u>(59,248)</u>
Cash flows from Financing Activities		
Advances on notes payable	71,347	869,060
Payments on notes payable	(71,347)	(84,450)
Net Cash Used by Financing Activities	<u>-</u>	<u>784,610</u>
Net Increase (Decrease) in Cash and Cash Equivalents	433,211	125,943
Cash and Cash Equivalents - Beginning	<u>572,532</u>	<u>446,589</u>
Cash and Cash Equivalents - Ending	<u>\$ 1,005,743</u>	<u>\$ 572,532</u>
Consisting of:		
Cash and cash equivalents	\$ 568,483	\$ 366,400
Restricted cash	<u>437,260</u>	<u>206,132</u>
Total	<u>\$ 1,005,743</u>	<u>\$ 572,532</u>
Cash paid for:		
Interest	<u>\$ 1,282</u>	<u>\$ 3,853</u>

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

Inner-City Revitalization Corporation
 Statements of Functional Expenses
 For the Year Ended December 31, 2021

	<u>Lot</u> <u>Sales</u>	<u>Rental</u> <u>Activities</u>	<u>Management</u> <u>and General</u>	2021 <u>Total</u> <u>Expenses</u>	2020 <u>Summarized</u> <u>Total</u>
Utilities	\$ -	\$ 22,456	\$ -	\$ 22,456	\$ 20,153
Office supplies	-	-	3,946	3,946	8,032
Pest control	-	1,744	-	1,744	477
Payroll expenses	73,023	63,103	25,709	161,835	213,435
Contracts	-	-	1,525	1,525	3,240
Telephone	-	-	6,964	6,964	8,397
Direct program expenses	819,369	-	-	819,369	763,483
Insurance	-	19,274	5,335	24,609	30,553
Interest	1,282	-	-	1,282	3,853
Repairs and maintenance	-	43,070	2,632	45,702	36,352
Legal and professional	60	-	17,399	17,459	14,642
Depreciation	-	65,625	-	65,625	65,625
Rent	-	-	167	167	-
Miscellaneous	-	-	5,793	5,793	3,021
Dues and subscriptions	-	-	280	280	75
	<u>\$ 893,734</u>	<u>\$ 215,272</u>	<u>\$ 69,750</u>	<u>\$ 1,178,756</u>	<u>\$1,171,338</u>

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

Inner-City Revitalization Corporation
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 1 – Nature of Activities and Significant Accounting Policies

Nature of Activities

Inner-City Revitalization Corporation (the Corporation) is a not-for-profit organization formed under the laws of the State of Louisiana. The purpose of the Corporation is to (1) foster, encourage, and coordinate, through all possible means and in cooperation with municipalities and other groups and interests, the rebuilding and revitalization of blighted metropolitan neighborhoods in Rapides Parish, Louisiana, and (2) to help make clean, healthful, safe, and affordable housing available to citizens who need it.

The Corporation's funding sources consist of contributions and grants from foundations and federal, state and local governments. The Corporation owns a 20 unit housing facility (Olive House) which it rents to low income individuals with broken backgrounds and provides case workers to help these individuals get back on their feet. The Corporation also owns thirteen single family dwellings that it rents to low income individuals. Monthly rent is calculated based on the tenant's income and family size.

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 and disclosures of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with the generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Corporation and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Corporation and/or the passage of time or be permanently maintained by the Corporation. When a restriction expires, net assets with donor restrictions are reclassified to net asset without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Inner-City Revitalization Corporation
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 1 – Nature of Activities and Significant Accounting Policies (Continued)

Cash and Cash Equivalents

The Corporation considers all demand deposits and highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents include monies designated for specific programs or held for others.

Contributions and Grants

Contributions and grants are recorded as received. Unconditional promises to give are recorded as they are made. Conditional promises to give are recognized as revenue when the necessary conditions are fulfilled.

Inventory

Inventory consists of single-family homes and lots for single family homes to be constructed on. Interest on construction line of credit was capitalized into the value of the inventory. Inventory is stated at cost using the specific identification method.

Investments

The Corporation reports all investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Gains and losses on investments are reported as increases or decreases in the respective net assets.

Property, Equipment, and Depreciation

Property and equipment are stated at cost if purchased, or fair value at the date of donation, if contributed to the Corporation, less accumulated depreciation. Depreciation is computed on depreciable assets on a straight-line basis over the estimated useful lives of the assets. The cost of maintenance and repairs is expensed as incurred; however, significant renewals and improvements are capitalized.

Mortgage Notes Receivable

Mortgage notes receivables are reported in the financial statements at the outstanding principal balance. Delinquency status is based on the contractual terms of the mortgage; and management is confident that these funds will be fully collected; therefore, no provision for loss has been made. Interest income is recognized as collected.

Inner-City Revitalization Corporation
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 1 – Nature of Activities and Significant Accounting Policies (Continued)

Income Taxes

Inner-City is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Furthermore, Inner-City is not classified as a “private foundation” by the Internal Revenue Service. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the organization and recognize a tax liability (or asset) if the organization has undertaken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the organization, and has concluded that as of December 31, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or assets) or disclosure in the financial statements.

Note 2 – Restricted Cash

Restricted cash at December 31, 2021 consisted of:

<u>Restriction purpose</u>	<u>Amount</u>	<u>Source</u>
Low Income Housing	\$412,491	Grantor Restriction
Homebuyer Program	<u>24,769</u>	Grantor Restriction
Total	<u>\$437,260</u>	

Note 3 – Investments

On June 13, 2013 the Corporation established a non-endowed agency fund at the Central Louisiana Community Foundation (the Foundation), by transferring \$12,311 into this fund. The fund is held by the Foundation for the purpose of administering funds as endowments for various charitable and educational purposes and organizations primarily in the central Louisiana community. These funds are not subjected to restrictions whether by donor or otherwise, nor are they required to be held permanently or for any designated purposes other than charitable purposes within the corporate powers of the Corporation. The principal may be expended in whole or in part as stated in the agreement.

The Corporation may request distribution of all or part of the principal it contributes to the fund. The Board of the Foundation will grant such a request if it concludes that such a distribution is consistent with the charitable purposes of the Foundation, which may be deferred for up to 90 days in order to permit orderly and timely liquidation of assets to meet the request. If the Foundation ceases to be a qualified charitable organization or if the Foundation proposes to dissolve, the assets of the fund shall be distributed to the Corporation. At that time if the Corporation is not then a qualified charitable organization, the Foundation shall distribute the assets of the fund in a manner and to any organization serving the Central Louisiana community that satisfies the requirements of a qualified charitable organization and serve purposes similar to those of the Corporation. The investments are presented in the financial statements at fair value of \$25,849 at December 31, 2021 as reported by the Foundation.

Inner-City Revitalization Corporation
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 3 – Investments (continued)

Investment income for the year ended December 31, 2021 was made up of the following components.

Interest and Dividends	\$456
Realized and Unrealized Gain	1,945
Investment fees	<u>(312)</u>
 Total Investment Income	 <u>\$2,089</u>

Note 4 – Endowment

The Corporation's endowment consists of one investment account to provide unrestricted annual distributions in support of the Corporation.

Endowment Spending Policy

The Corporation established an endowment fund to help insure the financial future of the Corporation. Contributions to the endowment fund may not be withdrawn and earnings on the fund may not be withdrawn until the principal reaches \$10,000.

Endowment Investment Policy

The obligation of the Corporation is long-term in nature; consequently, the investment of the endowment assets has a long-term focus. The endowment assets are invested in accordance with sound investment practices that emphasize long-term investment fundamentals. The investment objective for the portfolio assets is to maintain the highest fiduciary standards.

Changes in Endowment Net Assets

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Balance December 31, 2020	\$20,566	\$3,194	\$23,760
Contributions	-	-	-
Investment Revenue	1,808	281	2,089
Withdrawals	<u>-</u>	<u>-</u>	<u>-</u>
 Balance December 31, 2021	 <u>\$22,374</u>	 <u>\$3,475</u>	 <u>\$25,849</u>

Inner-City Revitalization Corporation
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 4 – Endowment (continued)

Endowment Net Assets Composition by Type of Fund

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-Restricted	\$22,374	\$3,475	\$25,849

Note 5 – Fair Value Measurement

FASB ACS 820-10, Fair Value Measurement, defines fair value, establishes a framework for measuring fair value, establishes a three-level valuation hierarchy for disclosure of fair value measurement and enhances disclosure requirements for fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of the fair value of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1 – Represented by quoted prices that are available in an active market. Level 1 securities include checking and savings accounts, certificates of deposit, highly liquid government bonds, treasury securities, mortgage products and exchange traded equities.

Level 2 – Represented by assets and liabilities similar to Level 1 where quoted prices are not available, but observable, either directly or indirectly through corroboration with observable market data and estimated using pricing models or discounted cash flows. Level 2 securities would include U.S. agency securities, mortgage-backed agency securities, obligations of states and political subdivisions, and certain corporate, asset backed securities, and swap agreements.

Level 3 – Represented by financial instruments where there is limited activity or unobservable market prices and pricing models significant to determining the fair value measurement include the reporting entity’s own assumptions about market risk. Level 3 securities would include hedge funds, private equity securities, and private investments in public entities.

Fair value of assets measured on a recurring basis at December 31, 2021 are as follows:

<u>Description</u>	<u>Fair Value Measurement at December 31, 2020</u>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash	\$1,005,743	\$1,005,743	-	-
Investments	\$25,849	-	\$25,849	-

Inner-City Revitalization Corporation
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 6 – Property and Equipment

At December 31, 2021, property and equipment consisted of the following:

	<u>Life</u>	<u>Carrying Value</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land		\$ 90,594	\$ -	\$ 90,594
Olive House – building	39 years	1,168,191	481,122	687,069
Rental property	39 years	<u>1,012,293</u>	<u>303,239</u>	<u>709,054</u>
Total		<u>\$2,271,078</u>	<u>\$784,361</u>	<u>\$1,486,717</u>

Depreciation expense for the current year was \$65,625.

Note 7 – Notes Receivable

In April 2002, the Corporation entered into a sale and mortgage agreement in the amount of \$37,750, with a down payment of \$1,133, secured by property located at 67 Prospect Street, Alexandria, LA. The agreement requires 240 monthly payments of \$283.90. Interest is stated at (7%) per annum. The debtor is in compliance with the loan terms and payment schedule. Management is confident that the note will be fully collected; therefore, no provision for loss has been made.

In 2011 and then again in 2016, 2017, 2018, 2020 and 2021, the Corporation received a grant from the Louisiana Housing Finance Agency (Soft Seconds) to aid qualified buyers in the purchase of the low income housing constructed by the Corporation. The aid is in the form of a mortgage that is forgiven over a period of ten to fifteen years depending on the amount of aid awarded to the individual, as long as the homeowner abides by the covenants in the agreement signed with the Corporation. In 2021, \$70,543 of the receivable balance was forgiven.

At December 31, 2021, notes receivable balances were:

	<u>Current</u>	<u>Long-term</u>	<u>Total</u>
67 Prospect Street	\$ 1,497	\$ -	\$ 1,497
Soft Seconds	<u>60,341</u>	<u>467,263</u>	<u>527,604</u>
Total	<u>\$61,838</u>	<u>\$467,263</u>	<u>\$529,101</u>

Note 8 – Notes Payable

The Corporation entered into an agreement with the Louisiana Housing Corporation to rehabilitate several single-family homes, buy funding through a forgivable loan. The Corporation had \$414,537 of this loan forgiven in 2021 bringing the balance down to \$0.

The Corporation has a \$100,000 line of credit with a national bank. The line of credit is used to help with the cash flow related to the housing projects. Nothing was drawn on the line of credit as of December 31, 2021.

Inner-City Revitalization Corporation
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 9 – Net Assets

At December 31, 2021, net assets with donor restrictions consisted of the following:

Homebuyer’s Education	\$ 24,769
Soft Second Mortgages	921,412
Endowment Fund (See Note 4)	<u>3,475</u>
Total	<u>\$949,656</u>

Note 10 – Income Taxes

The Corporation’s tax return for the years ended December 31, 2018 through December 31, 2020, remain open and subject to examination by taxing authorities. The tax return for the year ended December 31, 2021 has not been filed as of the report date.

Note 11 – Contributed Services

The Board of Directors is a voluntary board. These volunteers have made significant contributions of their time to the Corporation. The value of the contributed time is not reflected in these statements since it is not susceptible to an objective measurement or valuation.

Note 12 – Liquidity and Availability of Financial Assets

Financial assets, consisting of cash, that are available for general expenditure, that is, without donor or other restrictions limiting their use, amounted to \$568,483 at December 31, 2021. The Corporation has a goal to maintain sufficient financial resources on hand to meet sixty days of normal operating expenses.

Note 13 – Concentration of Credit Risk

The Corporation maintains cash balances with several regional banks. Accounts at this institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2021, cash on deposit in excess of the federally-insured limits was \$84,072 with one bank and \$398,926 with another bank.

Note 14 – Subsequent Events

The Corporation has no material subsequent events that would require disclosure. Subsequent events have been evaluated through June 27, 2022, which is also the date the financial statements were available to be issued.

Supplementary Information

Inner-City Revitalization Corporation
Schedule of Compensation, Benefits and Other Payments to Barbara Dashiell,
Executive Director
For the Year Ended December 31, 2021

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 65,917
Bonus	<u>30,000</u>
	<u>\$ 95,917</u>



Independent Accountant's Report on Applying Agreed-Upon Procedures

Board of Directors
Inner-City Revitalization Corporation
Alexandria, Louisiana

We have performed the procedures enumerated below on the Agency's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2021, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Agency's management is responsible for its financial records and compliance with applicable laws and regulations.

The Agency 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 Agency's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the year ended December 31, 2021. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. The 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:

Federal, State, and Local Awards

- 1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Agency's management.

The Agency provided us with the following list of expenditures made for federal grant awards received during the fiscal year ended December 31, 2021:

Federal, State, or Local Grant Name	Grant Year	AL No. (if applicable)	Amount
HUD HOME Funds	2021	N/A	\$177,271
HUD CHDO Operating Funds	2021	N/A	50,000
Total Expenditures			\$227,271

The Agency represented that both grants were pass-through funds received from the Louisiana Housing Corporation for the fiscal year ended December 31, 2021.

2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements are selected.
3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.

Each of the selected disbursements agreed to the amount and payee in the supporting documentation.

4. Report whether the selected disbursements were coded to the correct fund and general ledger account.

All of the disbursements were coded to the correct fund and general ledger account.

5. Report whether the selected disbursements were approved in accordance with the Agency's policies and procedures.

The Agency's policies and procedures were followed for all selected disbursements.

6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

Activities allowed or unallowed

We compared documentation for each of the selected disbursements with program compliance requirements related to services allowed or not allowed. No exceptions were noted.

Eligibility

We compared documentation for each of the selected disbursements with program compliance requirements related to eligibility. No exceptions were noted.

Reporting

We compared documentation for each of the selected disbursements with program compliance requirements related to reporting. No exceptions were noted.

7. Obtain the close-out reports, if required, for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close-out reports, if applicable, with the Agency's financial records; and report whether the amounts in the close-out reports agree with the Agency's financial records.

The selected disbursements included two federal grant awards that were closed out during the fiscal year. We compared the close-out reports for these two federal grant awards with the Agency's financial records. The amounts reported on the close-out reports agreed with the Agency's financial records.

Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions. Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meetings Law" available on the [Legislative Auditor's website](https://app.lla.state.la.us/lla.nsf/BAADB2991272084786257AB8006EE827/$FILE/Open%20Meetings%20Law%20FAQ.pdf) at [https://app.lla.state.la.us/lla.nsf/BAADB2991272084786257AB8006EE827/\\$FILE/Open%20Meetings%20Law%20FAQ.pdf](https://app.lla.state.la.us/lla.nsf/BAADB2991272084786257AB8006EE827/$FILE/Open%20Meetings%20Law%20FAQ.pdf), to determine whether a non-profit agency is subject to the open meetings law.

The organization is not required to hold open meetings and post agendas.

Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the agency provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state and local grants included the purpose and duration of the grants; and whether budgets for state grants also included specific goals, objectives, and measures of performance.

The Agency provided documentation that comprehensive budgets were submitted to the applicable grantor agencies for the grants exceeding five thousand dollars. These budgets included the purpose and duration of the grant program.

State Audit Law

10. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The agency's report was submitted to the Legislative Auditor before the statutory due date of June 30, 2022.

11. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

The Agency's management represented that the Agency did not enter into any contracts during the fiscal year that were subject to the public bid law.

Prior-Year Comments


12. Obtain and report management's representation as to whether any prior year suggestions, exceptions, recommendations, and/or comments have been resolved.

In the audit engagement for the year ended December 31, 2020, we reported that the accounting for grant activities was not recorded properly (2020-001). The condition has been resolved.

We were engaged by the Agency 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 the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. 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 the Agency's compliance with the foregoing matters. 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 the agency 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 the Agency's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, 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 Louisiana Legislative Auditor as a public document.


KnightMasden
Alexandria, Louisiana
June 27, 2022



LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

June 7, 2022 (Date Transmitted)

Knight Masden (CPA Firm Name)
5615 Jackson St (CPA Firm Address)
Alexandria, LA 71303 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 7, 2022 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes No [] N/A

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and local grantor officials.

Yes No [] N/A []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes No [] N/A []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes No [] N/A []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website to determine whether a non-profit agency is subject to the open meetings law.**

Yes No [] N/A

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes No [] N/A []

Reporting

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No [] N/A []

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No [] N/A []

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No [] N/A []

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes No [] N/A []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No [] N/A []

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No [] N/A []

We acknowledge that we are responsible for determining that the procedures performed are appropriate for the purposes of this engagement.

Yes No [] N/A []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes No [] N/A []

We have provided you with all relevant information and access under the terms of our agreement.

Yes No [] N/A []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [] No [] N/A

We are not aware of any material misstatements in the information we have provided to you.

Yes No [] N/A []

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes [] No [] N/A

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal

controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes No N/A

The previous responses have been made to the best of our belief and knowledge.

<u><i>Markus Stobell</i></u>	<u><i>Exec. Director</i></u>	<u><i>6/7/2022</i></u>	Date
	<u>Secretary</u>		
	Treasurer		Date
	President		Date