

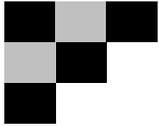
DISTRICT 2 COMMUNITY ENHANCEMENT CORPORATION

FINANCIAL STATEMENTS

JUNE 30, 2019

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1100 POYDRAS STREET SUITE 2900 NEW ORLEANS, LA 70163
OFC: (504) 522-7010 MDIAZ@CPACFE.COM FAX (504) 522-7015

Independent Accountant's Review Report

District 2 Community Enhancement Corporation
New Orleans, LA

I have reviewed the accompanying financial statements of District 2 Community Enhancement Corporation ("D2CEC"), which comprise the statement of financial position-public funding basis as of June 30, 2019, and the related statements of activities- public funding basis and cash flows- public funding basis, 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 management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statement as a whole. Accordingly, I 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 the public funding basis; this includes determining that the public funding basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible 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.

Accountant's Responsibility

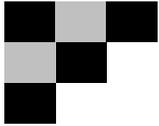
My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with the public funding basis of accounting. I believe that the results of my procedures provide a reasonable basis for my conclusion.

Accountant's Conclusion

Based on my review, except for the issue noted in the Known Departure from Accounting Principles Generally Accepted in the United States of America paragraph, I am 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. My conclusion is not modified with respect to this matter.

Known Departure from Accounting Principles Generally Accepted in the United States of America

As described in Note 1, these financial statements are prepared in accordance with a "public funding" framework which is an accounting basis other than accounting principles generally accepted in the United States of America.



Independent Accountant's Review Report- continued

Required Supplementary Information

Accounting principles generally accepted in the United States of America requires the following supplementary information to be presented to supplement the basic financial statements:

- Management's Discussion and Analysis (see pages #10 & 11)
- Public Funding Budget vs Actual Comparison Schedule (see page #12)

Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the responsibility of management. I have reviewed the information and, based on my review, except for the issue noted in the Known Departure from Accounting Principles Generally Accepted in the United States of America paragraph, I am not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. I have not audited the information and, accordingly, do not express an opinion on such information.

Other Supplementary Information

The accompanying Schedule of Compensation, Benefits, and Other Payments to Agency Head on page 13 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. I have reviewed the information and, based on my review, I am not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. I have not audited the supplementary information and, accordingly, do not express an opinion on such information.

Michelle Diaz CPA Inc.

New Orleans, LA

December 31, 2019

DISTRICT 2 COMMUNITY ENHANCEMENT CORPORATION
Statement of Financial Position
Public Funding Basis
JUNE 30, 2019

ASSETS

Current Assets		
Cash		\$ 7,130
Total Current Assets		
Property and equipment- at Cost Less Accumulated		2,180,009
Depreciation of \$406,874		2,180,009
Total Assets		2,187,139

LIABILITIES AND NET ASSETS

LIABILITIES

Current Liabilities:		
Accounts and salaries payable & other accrued liabilities		77,415
Due to State of Louisiana		9,414
Notes Payable (due within one year)		8,032
Total Short Term Liabilities		94,861
Long Term Liability:		
Other Payable		105,771
Note Payable (due after one year)		26,575
Total Long Term Liabilities		132,346
Total Liabilities		227,207

NET ASSETS

Unrestricted		1,959,932
Temporarily restricted		-
Permanently restricted		-
Total Net Assets		1,959,932

		\$2,187,139
Total Liabilities and Net Assets		\$2,187,139

See Independent Accountant's Review Report and accompanying notes

DISTRICT 2 COMMUNITY ENHANCEMENT CORPORATION
Statement of Activities and Changes in Net Assets
Public Funding Basis
Year Ended June 30, 2019

[All Net Assets are Unrestricted]

NET ASSETS, BEGINNING OF YEAR	\$ 2,055,766
SUPPORT and REVENUE	
Grants & service income	254,150
Rent income	28,000
Miscellaneous	144
Total support and revenue	282,294
EXPENDITURES	
Program expenses (See Note 9)	206,472
Administrative expenses (See Note 9)	171,656
Total expenses	378,128
Change in Net Assets during year ended June 30, 2019	(95,834)
NET ASSETS, END OF YEAR	\$ 1,959,932

See Independent Accountant's Review Report and accompanying notes

DISTRICT 2 COMMUNITY ENHANCEMENT CORPORATION
Statement of Cash Flows
Public Funding Basis
Year Ended June 30, 2019

CASH FLOW FROM OPERATING ACTIVITIES

Change in net assets from Operations	\$(95,834)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	80,067
Increase in accounts receivable	6,113
Decrease in accounts payable and other liabilities	<u>(700)</u>
Net cash provided by operating activities	<u>(10,354)</u>

CASH FLOWS USED IN FINANCING ACTIVITIES

Decrease in line of credit payable	(4,027)
Decrease in auto note payable	<u>(11,791)</u>
Net cash used in financing activities	<u>(15,818)</u>

Net increase (decrease) in cash	(26,172)
Cash - beginning of year	<u>33,302</u>
Cash - end of year	<u><u>\$ 7,130</u></u>

See Independent Accountant's Review Report and accompanying notes

DISTRICT 2 COMMUNITY ENHANCEMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 – Basis of Accounting/ Departure from Generally Accepted Accounting Principles

The accompanying statement of financial position as of June 30, 2019 and the statement of activities and cash flows for the year then ended for District 2 Community Enhancement Corporation (D2CEC) have all been prepared on a “public funding” basis of accounting. This differs from accounting principles generally accepted in the United States of America in that these financial statements reflect only those transactions during the year which were derived from public (state and local government) sources and thus does not include the transactions which were deemed private sources of funding as would be required by accounting principles generally accepted in the United States of America. Otherwise, the accounting and reporting policies of D2CEC conform to the accounting principles generally accepted in the United States of America and the prevailing practices within the nonprofit industry.

Note 2 Summary of Activities and Significant Accounting Policies

A summary of activities and significant accounting policies is as follows:

A. Nature of Activities

District 2 Community Enhancement Corporation (“D2CEC”) was incorporated in July 2004 as a mechanism for convening and providing services to the diverse neighborhoods of Senate District 2 which includes New Orleans East and the Lower Ninth Ward, in Orleans Parish, New Orleans, Louisiana. The mission of D2CEC is to enhance the quality of life of residents of New Orleans East and the Lower Ninth Ward through advocacy, programming and organized community action.

B. Basis of Presentation

D2CEC has adopted the Presentation of Financial Statements Topic of the FASB Accounting Standards Codification. Under the Presentation of Financial Statements Topic, the organization is required to report information regarding its financial position and activities according to three classes of net assets: (a) unrestricted net assets, (b) temporarily restricted net assets, and (c) permanently restricted net assets. Unrestricted net assets include those assets whose use of the assets is not restricted by donors, even though their use may be limited in other respects, such as by contract or board designation. All of the organization’s net assets are unrestricted.

C. Financial Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence of any donor restrictions. Contributions to D2CEC are typically unrestricted as was the case for all contributions received during the year ended June 30, 2019.

D. Contributed Services

During the year ended June 30, 2019, the value of contributed services meeting the requirements for recognition in the financial statements was not material and thus has not been recorded.

E. Use of Estimates

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

F. Cash

All of D2CEC’s cash is comprised of FDIC-insured bank deposit accounts at a financial institution.

DISTRICT 2 COMMUNITY ENHANCEMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

H. Income Taxes

D2CEC is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. D2CEC applies the accounting guidance related to accounting for uncertainty in income taxes, which sets out a consistent framework to determine the appropriate level of tax reserves to maintain for uncertain tax positions. The determination of whether or not a tax position has met the more-than-likely-than-not recognition threshold considers the facts, circumstances, and information available at the reporting date and is subject to management's judgment. Changes in the recognition or measurement are reflected in the period in which the change in judgment occurs. D2CEC has evaluated its position regarding the accounting for uncertain income tax positions and determined that it had no uncertain tax positions at June 30, 2019. With few exceptions, D2CEC is no longer subject to federal tax examination by tax authorities for years before 2016.

I. Property and Equipment

Property and Equipment are capitalized at cost. Additions, renewals, and betterments that increase the value or extend the lives of assets are capitalized. Replacements, maintenance, and repairs that do not increase the values or extend the lives of the respective assets are expenses as incurred. It is D2CEC's policy to capitalize expenditures for these items in excess of \$2,500. Lesser amounts are expensed. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on the straight-line method. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized as income for that period.

J. Revenue Recognition

For financial reporting, D2CEC recognizes all contributed support as income in the period received. Contributed support is reported as unrestricted or restricted depending on the existence of donor stipulations that limit the use of the support. Grant revenue is recognized as it is earned in accordance with approved contracts.

K. Functional Allocation of Expenses

The expense of providing the program and other activities has been summarized on a functional basis in Note 9. Certain of those expenses have been allocated among the program and supporting services based on estimates by management of the costs involved.

Note 2 – Economic Dependency

D2CEC's annual revenue is derived primarily from funds provided through grants administered by the state of Louisiana. Approximately 90% of D2CEC's annual support typically come from these grants. If significant budget cuts are made at the state level, the amount of funds D2CEC receives could be reduced significantly and have an adverse impact on its operations. At the time of completion of the examination of the organization's financial statements, management was not aware of any actions that would adversely affect the organization's grants and contracts for the current or next fiscal year.

Note 3 – Leases

D2CEC had no lease commitments as a Lessee. As a Lessor, D2CEC leased a portion of its office space to a private tenant which is reported as Rent Income on its Statement of Activities.

DISTRICT 2 COMMUNITY ENHANCEMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Note 4 – Grants and Grants Receivable

During the year, D2CEC recognized the following public funding revenue:

<u>AGENCY</u>	<u>FYE 6/30/19</u>
Louisiana Department of Economic Development	\$ 250,000
City of New Orleans-Total Community Action	\$ 4,150

Note 5 – Long Term Debt

D2CEC has a long term auto note payable which bears an interest rate of 4.89%, requires monthly payments of \$789, and in which \$34,607 was owed at June 30, 2019. The outstanding balance matures and is payable in full on May 6, 2023. The approximate maturities of the long term portion of this debt is as follows:

FYE June 30, 2020	\$ 8,032
FYE June 30, 2021	\$ 8,434
FYE June 30, 2022	\$ 8,856
FYE June 30, 2023	\$ 9,285

NOTE 6 – Board of Directors

D2CEC’s Board of Directors is a voluntary board. Therefore, no compensation was paid to any member.

Note 7 – Contingencies

D2CEC receives a substantial portion of its revenues from government grants and contracts which are subject to audit. The final determination of amounts received under these programs generally is based upon allowable costs reported to and subject to audit by the grantor. Until such audits have been completed and final settlement reached, there is a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.

Note 8– Property and Equipment

For informational purposes, the following is a summary of property and equipment owned by at June 30, 2019:

<u>Assets</u>	<u>Estimated useful lives</u>	<u>Amount</u>
Land	----	\$ 337,210
Automobile		58,062
Building & Improvements	4-40	2,146,757
Furniture & equipment	5	7,334
Equipment	5	<u>37,521</u>
		2,586,884
Less prior accumulated depreciation		<u>(406,874)</u>
Total		\$2,180,009

D2CEC expects to use all of its property and equipment for its program service activities.

DISTRICT 2 COMMUNITY ENHANCEMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Note 9 – Schedule of Functional Expenses

The costs of providing various programs and supporting services have been summarized on a functional basis in the Statement of Activities. The following schedule allocates cost amongst the programs & supporting services benefited.

	<u>PROGRAM</u>	<u>ADMIN</u>	<u>TOTAL</u>
Payroll	\$ 89,682	\$ 62,982	\$ 152,664
Fringe Benefits	5,476	5,248	10,724
Accounting & Audit	4,862	9,938	14,800
Marketing & Program Development	35,702		35,702
Postage	529		529
Student Supplies & Materials	4,026		4,026
Telephone	7,110		7,110
Equipment Rentals & Lease	2,418		2,418
Advertising	552	150	702
Culminating Event	11,846		11,846
Grounds Maintenance	4,519	2,911	7,430
Janitorial Service	1,950	1,950	3,900
Security		360	360
Insurance	9,916		9,916
Payroll Processing Fees		3,137	3,137
Travel & Transportation		2,719	2,719
Operations overhead	27,884	1,652	29,537
Depreciation		80,067	80,067
Interest		543	543
	<hr/>		
Total expenses	\$ 206,472	\$ 171,656	\$ 378,128
	<hr/>		

Note 10 – Evaluation of Subsequent Events

D2CEC has evaluated subsequent events through December 31, 2019, the date which the financial statements were available to be issued, and determined that no additional disclosures are necessary.

DISTRICT 2 COMMUNITY ENHACMENT CORPORATION

7901 Crowder Blvd. New Orleans, LA 70127

Phone: 504 244 0090 Fax: 504 240 6661

December 31, 2019

MANAGEMENT DISCUSSION & ANALYSIS

The District 2 Community Enhancement Corporation (District 2) is a 501(c) 3 non-profit corporation which was organized in 1994 to enhance the quality of life for its citizens through advocacy, programming and organized community action. The programmatic areas of District 2 are: Environmental Quality; Economic Development; and Community Cohesion.

Since our inception, District 2 has partnered with numerous community based organizations and private sector corporations around the state to provide a wide variety of educational and recreational services to the citizens of Southeast Louisiana. Its purpose is to have a positive impact on the lives of people in the community. District 2 has served and continues to serve as a catalyst to the community by bringing awareness to the many opportunities that exist in Louisiana and providing resources that empower, nurture, harvest, and replant.

Some of the many accomplishments of District 2 include:

- Securing a permanent home and the necessary resources to implement a variety of programs in the Greater New Orleans Community.
- The Execution of the Fashion Institute of New Orleans (FINO) program that maximizes the impact of the fashion and retail industry in New Orleans. The FINO program included classes, workshops and field trips that enhanced student's natural talent and providing training and business resources in the fashion and retail industries.
- The Execution of the One Vision One Voice program that it is cutting edge music education program designed to explore the concept of music education and allowed young people to write, publish and work in a fully operation pro-tools HD studio. Students participated in the engineering, marketing and promotions of music and music videos.
- District 2 CEC serviced over 200 young people this fiscal year.
- District 2 CEC also connected 25 students with real world employment experience.

As the State of Louisiana continues to strengthen its infrastructure, District 2 CEC continues to develop more creative and viable approaches to promoting learning.

FINANCIAL MANAGEMENT

D2CEC's Executive Director provides financial oversight of its operations. D2CEC contracts for the services of a bookkeeper to perform accounting duties associated with the daily operations of D2CEC. In addition, it contracts the services of an independent accountant to perform monthly bank reconciliations and reviews of the accounting records. D2CEC outsources its payroll processing to a national payroll administrator. Lastly, D2CEC contracts with an independent Certified Public Accountant to meet its compliance requirements with the Louisiana Audit Law.

FINANCIAL HIGHLIGHTS

The following summarizes D2CEC's financial highlights:

FINANCIAL POSITION: At June 30, 2019, D2CEC had assets totaling \$2,187,139 and liabilities totaling \$227,207 which resulted in net assets totaling \$1,959,932.

REVENUE: In fiscal year ended June 30, 2019, D2CEC recognized \$282,294 in total revenue of which \$254,150 was public funding; primarily from the State of Louisiana.

EXPENSES: During the fiscal year ended June 30, 2019, D2CEC incurred programmatic expenses which totaled \$206,472 and administrative expenses which totaled \$171,656; for a total of \$378,128 in expenditures.

FIXED ASSETS: D2CEC's primary fixed asset is the building it owns at 7901 Crowder Blvd. in New Orleans, LA 70127 which has a book value of \$2,146,757 at June 30, 2019. Additionally, D2CEC owns other real estate, an automobile, furniture & fixtures which total \$440,127 for a total of \$2,586,884 (before depreciation) in fixed assets.

BOARD OF DIRECTORS

D2CEC is governed by a board of five members which consists of Tiffany Crawford, its President and Executive Director and four other individuals who volunteer their time to D2CEC. The Board meets quarterly to discuss and vote on all matters of significance to the operation of D2CEC.

Sincerely,



Tiffany Crawford
President / Executive Director

DISTRICT 2 COMMUNITY ENHANCEMENT CORPORATION
Budget to Actual Comparison Schedule
[Public Funding Only]
Year Ended June 30, 2019

REVENUE	BUDGET	ACTUAL	VARIANCE
State Grant	\$ 250,000	\$ 250,000	\$ -
 EXPENDITURES			
Salaries	49,950	57,760	7,810
Related Benefits	12,550	4,740	(7,810)
Accounting	4,000	3,690	(310)
Audit	6,000	6,000	-
ADP Payroll Fees	3,000	2,647	(353)
Security System	500	270	(230)
Janitorial Service	1,800	1,650	(150)
Grounds Maintenance	2,200	2,911	711
Program Staff	56,875	56,665	(210)
Related Benefits Program FINO	9,762	4,827	(4,935)
Accounting	3,000	4,862	1,862
Janitorial Service	1,800	1,650	(150)
Grounds Maintenance	2,200	4,400	2,200
Program Development & Mktg	27,883	34,325	6,441
Instructional Staff & Class Facility	12,000	20,875	8,875
Equipment Rentals & Leases	2,400	2,418	18
Postage	500	381	(119)
Student Supplies/Materials	7,000	2,759	(4,241)
Student Travel	5,000		(5,000)
Advertising	500	552	52
Printing	1,000		(1,000)
Overhead	12,636	13,682	1,046
Program Insurance	15,000	10,428	(4,572)
Program Telephone	6,444	6,433	(11)
Culminating Event	6,000	6,075	75
Total expenditures	250,000	250,000	0
 Revenue over (under) expenditures	 0	 0	 0

See Independent Accountant's Review Report and accompanying notes

DISTRICT 2 COMMUNITY ENHANCEMENT CORPORATION

For the Year Ended June 30, 2019

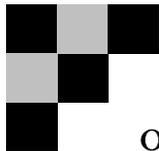
SUPPLEMENTARY INFORMATION REQUIRED BY LOUISIANA LAW

Schedule of Compensation, Benefits and Other Payments to Executive Director

Agency Head Name: Tiffany Crawford

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 83,746
Fringe Benefits/ Payroll Tax	6,583
Supplies Reimbursements	<u>348</u>
TOTAL	\$ 90,677

See Independent Accountant's Review Report and accompanying notes



MICHELLE DIAZ CPA INC.

1100 POYDRAS STREET SUITE 2900 NEW ORLEANS, LA 70163

OFC: (504) 522-7010 MDIAZ@CPACFE.COM FAX (504) 522-7015

ATTESTATION REPORT

Independent Accountant's Report on Applying Agreed-Upon Procedures

To District 2 Community Enhancement Corporation
and the Louisiana Legislative Auditor:

I have performed the procedures enumerated below, which were agreed to by District 2 Community Enhancement Corporation (D2CEC) and the Louisiana Legislative Auditor (the specified parties), on D2CEC's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended June 30, 2019, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. D2CEC's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, I make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

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 D2CEC's management.

D2CEC represented that they received no federal government grant awards during the fiscal year ended June 30, 2019. D2CEC provided us with the following list of expenditures made for state and local grant awards received during the fiscal year ended June 30, 2019:

State or Local Grant Name	Grant Year	CFDA No.	Amount
FINO (LA Dept. of Economic Development)	FYE 6/30/19	N/A	\$250,000
Total Community Action (City of New Orleans)	FYE 6/30/19	N/A	\$ 4,150
Total			\$254,150

2. For each 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.

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

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 / general ledger account.

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

5. Report whether the selected disbursements were approved in accordance with D2CEC's policies and procedures.

D2CEC's policies and procedures state that the Executive Director must approve all disbursements.

Documentation supporting each of the selected disbursements included the signature of the Executive Director.

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

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

Eligibility

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

Reporting

I 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 D2CEC's financial records; and report whether the amounts in the close-out reports agree with D2CEC's financial records.

The selected disbursements included one state grant award that was closed out during the fiscal year. I compared the close-out report for this grant award with D2CEC's financial records. The amounts reported on the close-out report agreed with D2CEC's financial records in that the disbursements charged to the grant award were equal to or less than D2CEC's financial records show was expended. Disbursements indicated in D2CEC's financial records which would have been eligible for cost reimbursement but which exceeded the grant award were not charged to the grant.

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 Meeting FAQs,” available on the Legislative Auditor’s website at <http://appl.la.state.la.us/llala.nsf>, to determine whether a non-profit agency is subject to the open meetings law.

Management represented that D2CEC is not subject to the Open Meetings law.

Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that D2CEC 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.

D2CEC provided documentation that comprehensive budgets were submitted to the applicable state grantor agency for the grants exceeding five thousand dollars. This budget included the purpose and duration of the grant program and included specific goals, objectives and measures of performance.

Prior-Year Comments

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

Not applicable

This agreed-upon procedures engagement was conducted 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. I was 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 D2CEC’s compliance with the foregoing matters. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on D2CEC’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.

Michelle Diaz CPA Inc.

New Orleans, LA

December 31, 2019

Attachments:

Signed LA Attestation Questionnaire

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

10/8/19

To: Michelle Diaz CPA Inc.
1100 Poydras #2900
New Orleans, LA 70163

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 6/30/19 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 []

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 []

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

Yes No []

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 []

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 []

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 []

Reporting

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

Yes No []

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 []

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 []

Prior-Year Comments

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

Yes [] No []

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [] No []

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

Yes [] No []

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 []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes [] No []

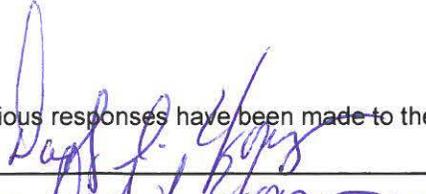
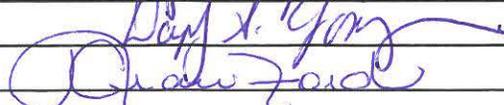
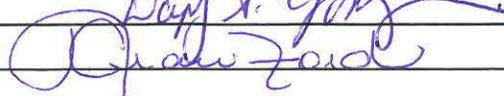
We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [] No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [] No []

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

	Secretary 10/8/19
	Treasurer 10/8/19
	President 10/8/19