

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**

**FINANCIAL STATEMENTS  
AND  
AUDITOR'S REPORT**

**December 31, 2017**

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**

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# Justin J. Scanlan, C.P.A., LLC.

A LIMITED LIABILITY COMPANY

4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122  
TELEPHONE: (504) 288-0050

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Concerned Citizens For A Better Algiers, Inc.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Concerned Citizens For A Better Algiers, Inc. (a non-profit organization), which comprise the statement of the financial position as of December 31, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### **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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Concerned Citizens For A Better Algiers, Inc. as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Report on Summarized Comparative Information**

We have previously audited Concerned Citizens For A Better Algiers, Inc.'s 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 11, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Other Matters**

#### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the combined basic financial statements. The accompanying schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 statement 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 April 30, 2018, on our consideration of Concerned Citizens For A Better Algiers, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Concerned Citizens For A Better Algiers, Inc.'s internal control over financial reporting and compliance.

*Justin J. Scanlon, CPA, LLC*

New Orleans, Louisiana  
April 30, 2018

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2017

		<b>SUMMARIZED COMPARATIVE INFORMATION <u>December 31, 2016</u></b>
<b>ASSETS</b>		
Cash	\$ 327,044	\$ 395,097
Receivables		
Grants (Notes A4 and B)	366,387	263,153
Other	<u>5,475</u>	<u>3,317</u>
	<u>371,862</u>	<u>266,470</u>
Prepaid expenses and deposits	20,857	22,441
Land, buildings, and equipment – at cost (Notes A5 and C)	<u>3,857,235</u>	<u>3,929,830</u>
Total assets	\$ <u>4,576,998</u>	\$ <u>4,613,838</u>
<b>LIABILITIES AND NET ASSETS</b>		
Notes payable (Note D)	\$ 50,000	\$ 100,000
Accounts payable and accrued liabilities	<u>72,898</u>	<u>68,552</u>
Total liabilities	<u>122,898</u>	<u>168,552</u>
Net assets		
Unrestricted	374,358	7,225
Temporarily restricted (Note E)	<u>4,079,742</u>	<u>4,438,061</u>
Total net assets	<u>4,454,100</u>	<u>4,445,286</u>
Total liabilities and net assets	\$ <u>4,576,998</u>	\$ <u>4,613,838</u>

The accompanying notes are an integral part of this financial statement.

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**

**STATEMENT OF ACTIVITIES**

**For the year ended December 31, 2017**

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>	<u>SUMMARIZED COMPARATIVE INFORMATION For the year ended December 31, 2016</u>
<b>REVENUES</b>				
Grant appropriations	\$ -	\$ 1,069,241	\$ 1,069,241	\$ 1,158,907
Contributions	8,005	-	8,005	9,441
Other	24,939	373,741	398,680	355,793
Net assets released from restrictions	<u>1,801,301</u>	<u>&lt; 1,801,301 &gt;</u>	<u>-</u>	<u>-</u>
<b>TOTAL REVENUES</b>	<u>1,834,245</u>	<u>&lt; 358,319 &gt;</u>	<u>1,475,926</u>	<u>1,524,141</u>
<b>EXPENSES</b>				
Salaries	536,776	-	536,776	535,455
Fringe benefits	117,355	-	117,355	115,583
Travel	5,353	-	5,353	8,932
Insurance	139,073	-	139,073	126,189
Professional services	199,205	-	199,205	172,936
Occupancy	50,603	-	50,603	43,325
Telephone	21,927	-	21,927	19,564
Bank charges	1,418	-	1,418	2,026
Food	31,091	-	31,091	38,537
Supplies	42,751	-	42,751	49,381
Equipment	174,023	-	174,023	168,573
Trash removal	1,543	-	1,543	1,543
Vehicle expense	5,870	-	5,870	5,326
Rental assistance	42,324	-	42,324	-
Interest	4,408	-	4,408	4,720
Other costs	16,794	-	16,794	12,332
Repairs and maintenance	<u>76,598</u>	<u>-</u>	<u>76,598</u>	<u>54,882</u>
<b>TOTAL EXPENSES</b>	<u>1,467,112</u>	<u>-</u>	<u>1,467,112</u>	<u>1,359,304</u>
Increase <decrease> in net assets	367,133	< 358,319 >	8,814	164,837
Net assets, beginning of year	<u>7,225</u>	<u>4,438,061</u>	<u>4,445,286</u>	<u>4,280,449</u>
Net assets, end of year	\$ 374,358	\$ 4,079,742	\$ 4,454,100	\$ 4,445,286

The accompanying notes are an integral part of this financial statement.

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**

**STATEMENT OF CASH FLOWS**

For the year ended December 31, 2017

**SUMMARIZED  
COMPARATIVE  
INFORMATION**  
For the year  
ended  
December 31, 2016

Increase <decrease> in cash and cash equivalents

Cash flows from operating activities:

Increase <decrease> in net assets	\$ 8,814	\$ 164,837
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Adjustments to reconcile increase <decrease> in net assets to net cash provided by operating activities:		
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Depreciation	161,395	157,412
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Changes in assets and liabilities:

<Increase> decrease in grants receivables	< 103,234>	82,127
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<Increase> decrease in other receivables	< 2,158>	4,911
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<Increase> decrease in prepaid expenses and deposits	1,584	5,821
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Increase <decrease> in accounts payable and accrued liabilities	<u>4,346</u>	<u>12,678</u>
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Net cash provided by <used in> operating activities	<u>70,747</u>	<u>427,786</u>
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Cash flows from investing activities:

Capitalization of building costs and real estate	<u>&lt; 88,800&gt;</u>	<u>&lt; 220,802&gt;</u>
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Net cash provided by <used in> investing activities	<u>&lt; 88,800&gt;</u>	<u>&lt; 220,802&gt;</u>
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Cash flows from financing activities:

Proceeds from note payable	-	50,000
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Payments on note payable	<u>&lt; 50,000&gt;</u>	<u>&lt; 50,000&gt;</u>
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Net cash provided by <used in> financing activities	<u>&lt; 50,000&gt;</u>	<u>-</u>
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Net <decrease> increase in cash and cash equivalents	< 68,053>	206,984
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Cash and cash equivalents, beginning of year	<u>395,097</u>	<u>188,113</u>
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Cash and cash equivalents, end of year	<u>\$ 327,044</u>	<u>\$ 395,097</u>
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Cash flow information:

Interest paid during the year	\$ 4,408	\$ 4,720
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The accompanying notes are an integral part of this financial statement.

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2017**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

**1. Nature of Activities**

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

**2. Presentation of Financial Statements**

The corporation's financial statements are presented in accordance with requirements established by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as set forth in the FASB ASC 958. Accordingly, the net assets of the corporation are classified to present the following classes: (a) unrestricted net assets, (b) temporarily restricted net assets, and (c) permanently restricted net assets.

**Unrestricted Net Assets** - Net assets that are not subject to donor-imposed stipulations.

**Temporarily Restricted Net Assets** – Net assets that are subject to donor-imposed stipulations that may or will be met either by actions of the corporation and/or the passage of time.

**Permanently Restricted Net Assets** – Net assets subject to donor-imposed stipulations that the corporation maintains them permanently. Generally, the donors of these assets permit the corporation to use all or part of the income earned on related investments for general or specific purposes. There were no permanently restricted net assets.

**3. Revenue Recognition**

For financial reporting, the corporation 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. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as "net assets released from restrictions".

Grant revenue is recognized as it is earned in accordance with approved contracts.

**4. Receivables**

The corporation considers accounts receivable to be fully collectible since the balance consists principally of payments due under governmental contracts. If amounts due become uncollectible, they will be charged to operations when that determination is made.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

5. **Building and equipment**

Concerned Citizens For A Better Algiers, Inc. records property acquisitions at cost. Donated items are recorded at estimated value at date of donation. Depreciation is provided for in amounts sufficient to relate the costs of depreciable assets to operations over their estimated service lives, on a straight-line basis. Depreciation expense for the year ended December 31, 2017 totaled \$161,395.

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

6. **Cash equivalents**

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

7. **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.

8. **Fair Values of Financial Investments**

Cash and cash equivalents carrying amounts reported in the balance sheet approximate fair values because of the short maturities of those instruments.

9. **Functional Allocation of Expenses**

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

10. **Subsequent Events**

The subsequent events of the corporation were evaluated through the date the financial statements were available to be issued (April 30, 2018).

11. **Summarized Comparative Information**

Summarized comparative information is presented only to assist with financial analysis. Data in those columns do not present financial position, results of operations or changes in net assets in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2017**

**NOTE B - GRANTS RECEIVABLE**

Grants Receivable at December 31, 2017 consist of the following:

City of New Orleans	<u>\$ 366,387</u>
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**NOTE C – LAND, BUILDING, AND EQUIPMENT**

Land, buildings and equipment at December 31, 2017 consists of the following:

Buildings	\$ 4,821,756
Transportation equipment	51,957
Equipment	<u>4,065</u>
	4,877,778
Less accumulated depreciation	<u>&lt; 1,510,780 &gt;</u>
	3,366,998
Construction-in-progress	<u>232,650</u>
	3,599,648
Land	<u>257,587</u>
	<u>\$ 3,857,235</u>

**NOTE D – NOTE PAYABLE**

Note payable at December 31, 2017 consists of the following:

Note payable to financial institution, revolving line of credit with an interest rate at 6.5%, due July 27, 2018.	<u>\$ 50,000</u>
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The interest expense for the year ended December 31, 2017 totaled \$4,408.

**NOTE E – TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets consist of the following at December 31, 2017:

Property and equipment-restricted	\$ 4,057,661
Ryan White	<u>22,081</u>
	<u>\$ 4,079,742</u>

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2017**

**NOTE F – FUNCTIONAL EXPENSES**

Functional expenses for the year ended December 31, 2017 are as follows:

Program services	
Housing opportunities for people with AIDS	\$ 1,046,871
Rental program for the homeless	<u>318,935</u>
	<u>1,365,806</u>
Supportive services	
Management and general	<u>101,306</u>
	<u>\$ 1,467,112</u>

**NOTE G – INCOME TAXES**

The corporation is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code.

The corporation has adopted the provision of FASB ASC 740-10-25, which requires a tax position be recognized or derecognized based on a "more likely than not" threshold. This applies to positions taken or expected to be taken in a tax return. The corporation does not believe its financial statements include any uncertain tax positions.

**NOTE H - BOARD OF DIRECTORS COMPENSATION**

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

**NOTE I – CONCENTRATION OF CREDIT RISK**

The grants receivable due from the City of New Orleans accounts for 100% of the total grants receivable.

**NOTE J – ECONOMIC DEPENDENCY**

The corporation receives a majority of its revenues from funds provided through grants administered by the City of New Orleans and other nonprofit entities. The grant amounts are appropriated each year by the federal government. If significant budget cuts are effected at the federal level, the amount of the funds the organization receives could be reduced significantly and have an adverse impact on its operations. At the time of completion of the examination of the corporation's financial statements, management is not aware of any actions that will adversely affect the amount of funds the organization will receive in the next fiscal year.

The corporation is supported primarily through grants from governmental agencies. Approximately 72% of the corporation support for the year ended December 31, 2017 came from these grants.

**SUPPLEMENTAL SCHEDULES**

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

COMBINED STATEMENT OF ACTIVITIES  
AND CHANGES IN NET ASSETS

For the year ended December 31, 2017

	<u>GENERAL.</u>	<u>HOPWA</u>	<u>RYAN WHITE</u>	<u>PROPERTY AND EQUIPMENT</u>	<u>TOTAL</u>
<b>REVENUES</b>					
Grant appropriations	\$ 9,185	\$ 930,326	\$ 129,730	\$ -	\$ 1,069,241
Other	<u>32,944</u>	<u>11,680</u>	<u>-</u>	<u>362,061</u>	<u>406,685</u>
<b>TOTAL REVENUES</b>	<u>42,129</u>	<u>942,006</u>	<u>129,730</u>	<u>362,061</u>	<u>1,475,926</u>
<b>EXPENSES</b>					
Salaries	11,983	503,608	21,185	-	536,776
Fringe benefits	< 1,649	117,320	1,684	-	117,355
Travel	1,753	3,600	-	-	5,353
Insurance	9,666	71,723	-	57,684	139,073
Professional services	22,093	76,715	97,302	3,095	199,205
Occupancy	2,977	18,400	-	29,226	50,603
Telephone	9,060	12,175	-	692	21,927
Bank charges	71	1,312	-	35	1,418
Food	4,593	26,498	-	-	31,091
Supplies	3,652	25,953	-	13,146	42,751
Equipment	2,968	5,512	-	165,543	174,023
Trash removal	-	1,543	-	-	1,543
Vehicle expense	761	5,109	-	-	5,870
Rental assistance	2,860	39,464	-	-	42,324
Interest	4,408	-	-	-	4,408
Other costs	7,853	1,297	-	7,644	16,794
Repairs and maintenance	<u>18,257</u>	<u>16,471</u>	<u>-</u>	<u>41,870</u>	<u>76,598</u>
<b>TOTAL EXPENSES</b>	<u>101,306</u>	<u>926,700</u>	<u>120,171</u>	<u>318,935</u>	<u>1,467,112</u>
Increase <decrease> in net assets	< 59,177>	15,306	9,559	43,126	8,814
Transfer to/from general	21,988	< 15,306>	-	< 6,682>	-
Net assets, beginning of year	<u>7,225</u>	<u>-</u>	<u>12,522</u>	<u>4,425,539</u>	<u>4,445,286</u>
Net assets, end of year	<u>\$ &lt; 29,964&gt;</u>	<u>\$ -</u>	<u>\$ 22,081</u>	<u>\$ 4,461,983</u>	<u>\$ 4,454,100</u>
Net assets:					
Unrestricted				\$ 404,322	
Temporarily restricted				<u>4,057,661</u>	
				<u>\$ 4,461,983</u>	

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the year ended December 31, 2017

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR PROGRAM</u>	<u>PASS THROUGH ENTITY IDENTIFYING NUMBER</u>	<u>FEDERAL CFDA NUMBER</u>	<u>FEDERAL EXPENDITURES</u>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Funds passed through City of New Orleans:			
Housing Opportunities For People with Aids	HOPWA-025C	14.241	\$ 930,326
Audit	-	14.219	9,185
<b>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<u>939,511</u>
<b>U. S. DEPARTMENT OF HEALTH AND AND HUMAN SERVICES</b>			
Funds passed through City of New Orleans			
Ryan W. White Title I	-	93.118	<u>120,171</u>
<b>TOTAL U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<u>120,171</u>
<b>Total expenditures of federal awards</b>			<u>\$ 1,059,682</u>

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**A. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Concerned Citizens For A Better Algiers, Inc. under programs of the federal government for the year ended December 31, 2017. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Par 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 Concerned Citizens For A Better Algiers, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Concerned Citizens For A Better Algiers, Inc.

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED**

For the year ended December 31, 2017

**B. Summary of Significant Accounting Policies**

- (1) 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 reimbursements.

**C. Indirect Cost Rate**

Concerned Citizens For A Better Algiers, Inc. did not elect the 10% de minimis indirect cost rate for the year ended December 31, 2017.

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS  
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

**For the year ended December 31, 2017**

**Agency Head Name:            Roberta B. Brown**

<b><u>Purpose</u></b>	<b><u>Amount</u></b>
Compensation	\$ 99,682
Conferences and meetings	216
Reimbursements - various program supplies	831

# Justin J. Scanlan, C.P.A., F.T.C.

A LIMITED LIABILITY COMPANY

4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122  
TELEPHONE: (504) 288-0050

## 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

Board of Directors  
Concerned Citizens For A Better Algiers, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Concerned Citizens For A Better Algiers, Inc. (non-profit organization), which comprise the statement of financial position as of December 31, 2017, 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 April 30, 2018.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Concerned Citizens For A Better Algiers, Inc.'s internal control over financial reporting (internal control) to determine 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 Concerned Citizens For A Better Algiers, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 Concerned Citizens For A Better Algiers, Inc.'s financial statements are free of 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. Under Louisiana Revised Statue 24:513, this report is distributed by the Legislative Auditor as a public document.

*Justin J. Scanlon, CPA, LLC*

New Orleans, Louisiana  
April 30, 2018

# Justin J. Scanlan, C.P.A., F.L.C.

A LIMITED LIABILITY COMPANY

4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122  
TELEPHONE: (504) 288-0050

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

Board of Directors  
Concerned Citizens For A Better Algiers, Inc.

### Report on Compliance for Each Major Federal Program

We have audited Concerned Citizens For A Better Algiers, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Concerned Citizens For A Better Algiers, Inc.'s major federal programs for the year ended December 31, 2017. Concerned Citizens For A Better Algiers, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Concerned Citizens For A Better Algiers, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. 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 (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Concerned Citizens For A Better Algiers, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Concerned Citizens For A Better Algiers, Inc.'s compliance.

## Opinion on Each Major Federal Program

In our opinion, Concerned Citizens For A Better Algiers, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017.

## Report on Internal Control Over Compliance

Management of Concerned Citizens For A Better Algiers, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Concerned Citizens For A Better Algiers, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate to the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Concerned Citizens For A Better Algiers, Inc.'s 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Justin J. Scanlon, CPA, LLC*

New Orleans, Louisiana  
April 30, 2018

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the year ended December 31, 2017**

**A. SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_yes X no
- Significant deficiency(ies) identified? \_\_\_yes X none reported
- Noncompliance material to financial statements noted? \_\_\_yes X no

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_yes X no
- Significant deficiency(ies) identified? \_\_\_yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? \_\_\_yes X no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
14.241	U. S. Department of Housing and Urban Development Passed through City of New Orleans: Housing Opportunities for People with Aids

Dollar threshold used to distinguish between type A and B programs: \$750,000

Auditee qualified as low-risk auditee? \_\_\_yes X no

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

**For the year ended December 31, 2017**

**B. FINANCIAL STATEMENT FINDINGS**

There were no findings related to the financial statements for the year ended December 31, 2017.

**C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There were no items identified in the course of our testing during the current year required to be reported.

**D. STATUS OF PRIOR YEAR AUDIT FINDINGS**

There were no prior year audit findings.

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**

**STATEWIDE AGREED-UPON PROCEDURES**

**For the year ended December 31, 2017**

# Justin J. Scanlan, C.P.A., P.L.L.C.

A LIMITED LIABILITY COMPANY

4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122  
TELEPHONE: (504) 288-0050

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of Concerned Citizens For a Better Algiers, Inc.  
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Concerned Citizens For a Better Algiers, Inc. and the Louisiana Legislative Auditor on the control and compliance areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures for the year ended December 31, 2017. The Concerned Citizens For a Better Algiers, Inc.'s management is responsible for those control and compliance areas identified in the Statewide Agreed-Upon Procedures.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated results are as follows:

### **Written Policies and Procedures**

Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:

- 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**, including receiving, recording, and preparing deposits.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- 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 card, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.
- 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 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

### **Result**

A review of the written policies and procedures noted there was no Contracting Policy.

### **Board (or Finance Committee, if applicable)**

Obtain and review the board/committee minutes for the fiscal period, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
  - If the budget-to actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report

whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

### **Result**

The minutes did not reference or include monthly budget-to-actual comparisons.

### **Bank Reconciliations**

Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared:
- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

### **Results**

A review of the operating account bank reconciliations for the year ended December 31, 2017 noted checks over one year old were not voided until December 31, 2017. Also, no evidence was presented that reflected that management has reviewed each bank reconciliation.

### **Collections**

Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing cash in the bank, recording the related transaction, or reconciling the related bank account collected, recording related transactions or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
  - Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at collection location.
  - Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, and agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

#### **Note**

The collection procedures are not applicable. The organization primarily received monies from its primary grantor, the City of New Orleans.

#### **Disbursements - General (excluding credit card/fuel card/P-card purchases or payments)**

Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the

listing or general ledger population is complete.

Using the disbursement population from the paragraph above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debt card /fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
- c) Payments for purchases were not processed without (1) an approved requisition and /or purchase order, or electronic equivalent; as receiving report showing the receipts of goods purchased, or electronic equivalent ; and an approved invoice.

Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

#### **Note**

The organization does not use a signature stamp.

**No exceptions were noted.**

## **Credit Cards**

Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), 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.

Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, 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.]
- b) Report whether finance charges and/or late fees were assessed on the selected statements.

Using the monthly statements or combined statements selected, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:
  - An original itemized receipt (i.e., identified precisely what was purchased).
  - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
  - Other documentation that may be required by written policy (e.g., purchase order, written authorization.)
- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e.

transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

### **Results**

The entity has three credit cards. Reviewed the credit card activity of Home Depot for the November/December billing cycle. Three of the nineteen transactions did not identify the business purpose for the purchase.

### **Travel and Expense Reimbursement**

Obtain from management a listing of all travel and related expense reimbursements by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

Obtain the entity's written policies related to travel and expense reimbursements. Compare amounts in the policies to the per diem and mileage rates established by the U. S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates.

Using the listing or general ledger, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates and report each reimbursement that exceeded those rates.
- b) Report whether each expense is supported by:

- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt].
  - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individual participating).
  - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance).
- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

### **Results**

Three of the six transactions examined did not identify the business purpose of the expenditure. The transactions totaled \$450 and were charged to its general fund.

### **Contracts**

Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Using the listing above, select the five contact "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payment to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
  - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal

requirements (e.g. solicited quotes or bids, advertisement, selected lowest bidder).

- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

### **Results**

Board of Director's approval was not obtained for the written contract reviewed.

### **Payroll and Personnel**

Obtain a listing of the employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, and elected official is not eligible to earn leave and does no document his/her attendance and

leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave).

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether termination payments were made in strict accordance with policy and/or contract and approved by management.

Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

**No exceptions were noted.**

### **Ethics**

Non-profit organizations are excluded from the Ethics Statewide Agreed-Upon Procedures.

### **Debt Service**

Non-Profit organizations are excluded from the Debt Service Statewide Agreed-Upon Procedures.

### **Other**

Inquire of management whether the entity had any misappropriation of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1 The notice (available for download or print at [www.11a.la.gov/hotline](http://www.11a.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abusive of public funds.

If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

### Results

The notice required by R.S. 24:523.1 was not posted on its premises and website.

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 control and compliance areas identified in the State Agreed-Upon Procedures. 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.

The purpose of this report is solely to describe the scope of testing performed on those control and compliance areas identified in the State Agreed-Upon Procedures, 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.

*Justin J. Scanlon, CPA, LLC*

New Orleans, Louisiana  
April 30, 2018

# Concerned Citizens For A Better Algiers

1409/1417 Nunez Street  
New Orleans, LA 70114  
Phone (504) 362-1066 • Fax (504) 362-3490 • (504) 275-1118  
www.ccfaba.org

## Concerned Citizens For A Better Algiers, Inc. Statewide Agreed-upon Procedures For the year ended December 31, 2017

### Written Policies and Procedures

**Result:** A review of the written policies and procedures noted there was no Contracting Policy.

**Response:** In the past we used the City of New Orleans Contracting Policy. We working to establish a Contracting Policy that will be presented to the Board of Directors at the next Board Meeting, once approved, the agency will include in the Accounting Manual.

### Board (or Finance Committee, if applicable)

**Result:** A review of the operating account bank reconciliations for the year ended December 31, 2017 noted checks over one-year-old were not voided until December 31, 2017. Also, no evidence was presented that reflected that management has reviewed each bank reconciliation.

**Response:** All outstanding checks that have been on the books more than six (6) months will be voided or written off. Beginning immediately the Board of Directors or Finance Committee, if applicable, will review all bank reconciliations and note in the Minutes of the Board or Committee meetings reports.

### Credit Cards

**Result:** The entity has three credit cards. Reviewed the credit card activity of Home Depot for the November/December billing cycle. Three of the nineteen transactions did not identify the business purpose of the purchase.

**Response:** Concerned Citizens' Executive Director and Business Manager has met with the staff that makes purchases to ensure that all transactions identify the business purpose. Have also implemented a Credit Card Approval Form.

### Travel and Expense Reimbursement

**Results:** Three of the six transactions examined did not identify the business purpose of the expenditure. The transactions totaled \$450 and were charges to its general fund.

**Response:** Concerned Citizens' Executive Director and Business Manager has met with the staff to ensure that all transactions identify the business purpose.

### **Contracts**

**Result:** Board of Director's approval was not obtained for the written contract reviewed.

**Response:** Concerned Citizens For A Better Algiers Board of Directors has authorized Roberta Brown to solicit, negotiate and/or executed any documents, contracts, etc. for the Corporation by Resolution dated November 4, 2016 that was good for 1 year. In the future contracts in excess of \$100,000 will be approved by the Board of Directors.

### **Other**

**Result:** The notice required by R.S.24:523.1 was not posed on its premises and website.

**Response:** The notice has been posted on the premises and on our website [www.ccfaba.org](http://www.ccfaba.org).

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