

*Central Louisiana Coalition to Prevent
Homelessness, Inc.*

Alexandria, Louisiana

May 31, 2019

Central Louisiana Coalition to Prevent Homelessness, Inc.

May 31, 2019

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

Independent Accountant's Review Report

To the Board of Directors of
Central Louisiana Coalition to Prevent Homelessness, Inc.
Alexandria, Louisiana

We have reviewed the accompanying financial statements of Central Louisiana Coalition to Prevent Homelessness, Inc. (a nonprofit organization), which comprise the statement of financial position as of May 31, 2019, and the related statements of activities, functional expenses, and cash flows 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 statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

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

Rebecca B. Morris, C.P.A.
Michael A. Juneau, C.P.A.
Cindy L. Humphries, C.P.A.
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PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
Central Louisiana Coalition to Prevent Homelessness, Inc.
Alexandria, Louisiana

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to agency head or chief executive officer 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. We have reviewed the information, and based on our review, we are 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. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

Payne, Moore & Herrington, LLP

Certified Public Accountants
Alexandria, Louisiana

August 16, 2019

Central Louisiana Coalition to Prevent Homelessness, Inc.
Statement of Financial Position
May 31, 2019

Exhibit A

Assets		
Current Assets		
Cash and cash equivalents	\$	78,466
Grants receivable		115,485
Total Current Assets		193,951
Investments - Central Louisiana Community Foundation		3,863
Property and Equipment - Net of Depreciation		582,038
Total Assets	\$	779,852
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$	5,437
Accrued vacation		4,008
Payroll withholdings		895
Deferred revenue		1,098
Note payable - current portion		6,206
Total Current Liabilities		17,644
Long-Term Liabilities		
Note payable		156,416
Total Long-Term Liabilities		156,416
Net Assets		
Without donor restrictions		573,284
With donor restrictions		32,508
Total Net Assets		605,792
Total Liabilities and Net Assets	\$	779,852

See accompanying notes and independent accountant's review report.

Central Louisiana Coalition to Prevent Homelessness, Inc.
Statement of Activities
Year Ended May 31, 2019

Exhibit B

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, Gains (Losses), and Other Support			
Grant income			
HUD	\$ -	\$ 286,853	\$ 286,853
HUD through Louisiana Housing Corporation	-	44,116	44,116
City of Alexandria	-	32,500	32,500
Other	140,123	-	140,123
Contributions	33,481	47,788	81,269
Fundraising	37,686	814	38,500
Dues and miscellaneous	11,650	-	11,650
Fees	28,381	-	28,381
Investment return, net	933	-	933
Unrealized gain (loss) on investments	45	-	45
Net assets released from restrictions	379,563	(379,563)	-
Total Revenues, Gains (Losses), and Other Support	<u>631,862</u>	<u>32,508</u>	<u>664,370</u>
Functional Expenses			
Program services			
Planning	50,958	-	50,958
Coordinated Entry	109,299	-	109,299
Homeless Management Information System (HMIS)	76,536	-	76,536
Homeless Prevention	44,217	-	44,217
Louisiana Integrated Treatment Services (LITS)	159,288	-	159,288
Outreach	68,324	-	68,324
Total Program Services	<u>508,622</u>	<u>-</u>	<u>508,622</u>
Supporting services			
Management and general	94,802	-	94,802
Fundraising	18,116	-	18,116
Total Supporting Services	<u>112,918</u>	<u>-</u>	<u>112,918</u>
Total Expenses	<u>621,540</u>	<u>-</u>	<u>621,540</u>
Change in Net Assets	10,322	32,508	42,830
Net Assets, Beginning of Year	<u>562,962</u>	<u>-</u>	<u>562,962</u>
Net Assets, End of Year	<u>\$ 573,284</u>	<u>\$ 32,508</u>	<u>\$ 605,792</u>

See accompanying notes and independent accountant's review report.

Central Louisiana Coalition to Prevent Homelessness, Inc.
Statement of Functional Expenses
Year Ended May 31, 2019

Exhibit C

	Program Services						Supporting Services			Combined Total	
	Planning	Coordinated Entry	HMIS	Homeless Prevention	LITS	Outreach	Total Program Services	Management and General	Fundraising		Total Supporting Services
Salaries and related employee benefits	\$ 40,346	\$ 86,800	\$ 47,224	\$ 15,666	\$ 70,881	\$ 25,051	\$ 285,968	\$ 28,868	\$ -	\$ 28,868	\$ 314,836
Automobile	-	-	-	-	3,361	3,693	7,054	118	-	118	7,172
Bank charges	-	-	-	-	-	-	-	43	-	43	43
Buildings and grounds	84	408	128	90	152	355	1,217	6,574	-	6,574	7,791
Computer software and equipment	3,775	38	8,224	-	38	38	12,113	5,113	-	5,113	17,226
Contract labor	-	3,026	9,412	-	450	692	13,580	500	-	500	14,080
Depreciation	-	-	-	-	-	-	-	28,640	-	28,640	28,640
Dues and subscriptions	1,067	982	1,067	960	1,067	769	5,912	1,216	-	1,216	7,128
Fundraising	-	-	-	-	-	-	-	-	18,116	18,116	18,116
Insurance	1,046	1,046	1,046	933	1,046	744	5,861	1,879	-	1,879	7,740
Interest	918	918	918	712	918	633	5,017	845	-	845	5,862
Meetings	33	87	363	-	87	172	742	1,141	-	1,141	1,883
Miscellaneous	-	-	-	-	-	-	-	1,467	-	1,467	1,467
Office	349	541	447	264	340	515	2,456	3,547	-	3,547	6,003
Outreach	-	1,177	-	66	77	1,280	2,600	18	-	18	2,618
Participants	-	7,709	-	23,008	76,654	30,315	137,686	3,170	-	3,170	140,856
Professional fees	1,464	1,557	1,697	1,289	1,697	1,149	8,853	9,938	-	9,938	18,791
Telephone	630	630	695	493	878	650	3,976	1,016	-	1,016	4,992
Travel and conference	405	3,413	4,348	-	675	1,715	10,556	567	-	567	11,123
Utilities	841	967	967	736	967	553	5,031	142	-	142	5,173
Total Expenses	\$ 50,958	\$ 109,299	\$ 76,536	\$ 44,217	\$ 159,288	\$ 68,324	\$ 508,622	\$ 94,802	\$ 18,116	\$ 112,918	\$ 621,540

See accompanying notes and independent accountant's review report.

Central Louisiana Coalition to Prevent Homelessness, Inc.
Statement of Cash Flows
Year Ended May 31, 2019

Exhibit D

Cash Flows from Operating Activities	
Change in net assets	\$ 42,830
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:	
Depreciation	28,640
Unrealized (gain) loss on investments	(45)
Donation of vehicle	(3,000)
Changes in operating assets and liabilities:	
Grants receivable	(43,347)
Accounts payable	4,803
Accrued vacation	(3,186)
Payroll withholdings	(5,715)
Net Cash Provided by (Used in) Operating Activities	<u>20,980</u>
 Cash Flows from Investing Activities	
Purchase of property and equipment	(6,613)
Reinvestment of earnings, net	(19)
Net Cash Provided by (Used in) Investing Activities	<u>(6,632)</u>
 Cash Flows from Financing Activities	
Principal payments on long-term borrowing	(6,004)
Net Cash Provided by (Used in) Financing Activities	<u>(6,004)</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	 8,344
 Cash and Cash Equivalents, Beginning of Year	 <u>70,122</u>
 Cash and Cash Equivalents, End of Year	 <u><u>\$ 78,466</u></u>

Additional Required Disclosures:

1. Management considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents.
2. Interest paid during the year totaled \$5,862.
3. No income taxes were paid during the year.
4. There were no material noncash financing transactions during the year that affected recognized assets or liabilities. Noncash investing transactions during the year consisted of a donated vehicle valued at \$3,000.

See accompanying notes and independent accountant's review report.

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2019
Notes to Financial Statements

1. Nature of Activities and Significant Accounting Policies

Nature of Activities

The Central Louisiana Coalition to Prevent Homelessness, Inc. (the Coalition) is a nonprofit corporation located in Alexandria, Louisiana that was formed to end homelessness in the Central Louisiana area by providing sustainable housing to homeless individuals. The mission of the Coalition is to identify, advocate, and mobilize community resources to ensure all people in Central Louisiana have access to stable homes. Program activities conducted in pursuit of this mission are described as follows:

- *LITS Housing – Louisiana Integrated Treatment Services (LITS)* is a permanent supportive housing program that provides housing and supportive services for individuals who are considered chronically homeless with a co-occurring disability (diagnosis of a mental illness and a history of or current substance abuse disorder.) The goal is to assist chronically homeless individuals and families with maintaining permanent housing.
- *HMIS – The Homeless Management Information System (HMIS)* is a web-based database used to track and report homelessness services and shelter stays in an effort to reduce service duplications within the community and to understand local trends in homelessness.
- *Outreach – The Outreach* program conducts street outreach activities to locate and identify individuals who regularly sleep unsheltered or in places not meant for human habitation. The program provides case management and support to assist individuals with locating appropriate housing and/or shelter and accessing services. The *Outreach* program also provides a one-stop homelessness resource center organized for the purpose of assisting homeless persons and families with obtaining an income, providing a hygiene center for people experiencing homelessness, and meeting some basic needs of homeless individuals to assist them with securing income and housing.
- *CoC – The Continuum of Care (CoC)* is a federally-recognized designation for a collective impact collaboration within a community. The Coalition serves as the CoC collaborative applicant for the Central Louisiana region, a designation by the U.S. Department of Housing and Urban Development (HUD). In this role, the Coalition is responsible for submitting the community's grant applications and homelessness reports to HUD on behalf of its members for CoC and Emergency Solutions Grant Program (ESGP) funds. Direct housing and service programs under CoC include the Planning and Homeless Prevention programs.
- *Coordinated Entry – Coordinated Entry* is an effort among CoC providers to assess each homeless individual and family using a uniform and standardized process. The Coalition uses this process to ensure that all people experiencing a housing crisis have fair and equal access and are quickly identified, assessed for, referred, and connected to housing and assistance based on their severity of needs, rather than first come/first served.

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2019
Notes to Financial Statements

Accounting Pronouncement Adopted

In August 2016, the Financial Accounting Standards Board (FASB) issued the Accounting Standards Update No. 2016-14 - *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions. In addition to changes in terminology used to describe categories of net assets throughout the financial statements, new disclosures were added regarding liquidity and availability of resources, as well as the functional allocation of expenses. The Coalition adopted the provisions of this ASU during the year ended May 31, 2019. Changes under this ASU did not have a material effect on the financial statements.

Net Assets Without Donor Restrictions

Net assets without donor restrictions generally result from revenues generated by receiving contributions that have no donor-imposed restrictions, and from receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions. Net assets without donor restrictions are available for use at the discretion of the Board of the Coalition and management for general operating purposes. The Board may designate a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

Net Assets with Donor Restrictions

Net assets with donor restrictions result from restrictions imposed by grant agreements and gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted. The Coalition reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets.

Some net assets with donor restrictions may include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Coalition to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy. The Coalition does not have any net assets with donor restrictions that are perpetual in nature.

See Note 8 for more information on the composition of net assets with donor restrictions.

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2019
Notes to Financial Statements

The changes resulting from the implementation of this new standard have the following effect on net assets at June 1, 2018.

	Amounts under FASB ASC 958	Reclassifications	"as adjusted" Amounts under ASU No. 2016-14
Net assets:			
Unrestricted - undesignated	\$ 562,962	\$ (562,962)	\$ -
Without donor restrictions	-	562,962	562,962
Total net assets	\$ 562,962	\$ -	\$ 562,962

Basis of Accounting

The accompanying financial statements have been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America (GAAP). Under this method, revenues are recognized when earned, and expenses are recorded at the time liabilities are incurred.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Promises to Give

As required by GAAP, unconditional promises to give are reported as revenue when the promise is made. Conditional promises to give are recognized as revenue when the necessary conditions are fulfilled.

Grants Receivable

The Coalition uses the allowance method to determine uncollectible grants receivable. In the opinion of management, grants receivable are considered entirely collectible; therefore, no allowance for uncollectibles at May 31, 2019, has been included in the statement of financial position. Furthermore, management considers the entire balance to be collectible within one year.

Investments

Central Louisiana Coalition to Prevent Homelessness, Inc. reports all investments in marketable securities with readily determinable values and all investments in debt securities at their fair value in the statement of financial position. Investments in cash management funds are stated at cost, which approximates fair value. Net realized and unrealized gains and losses on investments are reported in the statement of activities as increases or decreases in the respective net asset classes.

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2019
Notes to Financial Statements

Property and Equipment

Property and equipment are stated at cost or, if donated, at the approximate fair market value, if material and reasonably determinable, at the time of donation. The Coalition capitalizes property and equipment if its value is \$500 or more and its useful life is more than one year. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Those lives range from 3 to 40 years. The cost of maintenance and repairs is charged to expense as incurred; however, significant maintenance and repairs that improve or extend the useful lives of the respective assets are capitalized at cost.

Accrued Vacation

Vacation is earned at varying rates by qualifying full-time and part-time employees depending on length of service. Employees are allowed to carry forward a maximum of 5 to 20 days of unused vacation from the previous year, depending on their employment status (i.e., full-time or part-time). The liability at year-end is shown as a current liability in the statement of financial position. Qualifying full-time and part-time employees may also accrue up to 30 days of sick leave, but they are not paid for unused sick leave upon termination of employment. Therefore, no liability for accrued sick leave is reflected in the accompanying financial statements.

Deferred Revenue

Payments for membership dues received on or before the financial statement date for subsequent membership periods are reported as deferred revenue in the statement of financial position. Payments received in advance for Homeless Management Information System (HMIS) access fees are also reported as deferred revenue in the statement of financial position. Such membership dues and HMIS access fees are recognized as revenue in the applicable membership or access period.

Revenue Recognition

The Coalition reports contributions and grants as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Coalition reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Coalition reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Funds with donor restrictions are used to differentiate the resources whose use is restricted by donors or grantors from the resources on which donors or grantors have placed no restriction or the resources that arise as a result of the operations of the Coalition for its stated purpose.

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2019
Notes to Financial Statements

Donated Services

Volunteers are utilized extensively for both program and supporting services. Contributed services are recognized if the services require specialized skills and the Coalition would be required to purchase these services if donated services were not available. Contributed services received and recognized as revenue during the year ended May 31, 2019, in the amount of \$814 were related to labor for the Outreach and Coordinated Entry programs.

Donated Materials and Supplies

The Coalition receives various materials and supplies which are distributed to homeless individuals. Most of the items distributed by the Coalition have little or no fair market value; however, large quantities of food and hygiene products are collected, stored, and distributed. The distribution of food and hygiene products is an important component of the Coalition's program activities. Donated materials and supplies are recorded at cost or estimated fair value determined at the date of donation.

Functional Allocation of Expenses

Costs incurred by the Organization from providing various program and supporting services have been presented on a functional basis in the statement of functional expenses. Accordingly, costs have been allocated on a reasonable and consistent basis among the functional areas benefited. Most expenses are charged directly to program or supporting services based on specific identification. Certain categories of expenses attributable to administrative support include salaries and benefits, payroll taxes, office expenses, and occupancy. These expenses are allocated based on estimates of time and effort. Expenses related to more than one function are charged to programs and supporting services using management's estimate of the activities benefitted.

Advertising Costs

Advertising costs are expensed when incurred.

Tax-Exempt Status and Tax Positions

The Coalition qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and comparable Louisiana law. The Coalition is not classified as a private foundation. Since the Coalition is exempt from federal and state income tax liability, no provision is made for current or deferred income tax expense.

For the year ended May 31, 2019, management of the Coalition believes it has adequate support for all material tax positions, and that it is more likely than not, based on the technical merits, that the positions will be sustained upon examination.

All tax-exempt entities are subject to review and audit by federal, state, and other applicable agencies. Such agencies may review the taxability of unrelated business income or the qualification of the tax-exempt entity under the Internal Revenue Code and applicable state statutes. With few exceptions, the Coalition is no longer subject to U.S. federal tax examinations for the years ending before May 31, 2016.

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2019
Notes to Financial Statements

State Tax Credit for Qualified Rehabilitation of Historic Structure

In February 2018, the Louisiana Division of Historic Preservation certified \$383,474 of rehabilitation expenditures incurred by the Coalition for the Homeless Resource Center (HRC) building. Under R.S. 47:6019, the Coalition is eligible to receive twenty-five percent (25%) of total eligible renovations through the Louisiana Department of Revenue (LDR), upon confirmation of the certified amount of the tax credit by the LDR.

Final certifications were submitted to the LDR in February 2018 for confirmation of the amount of tax credit earned. During the year ended May 31, 2019, the LDR granted the Coalition tax incentives related to the credit in the amount of \$92,537. Once they are sold, the amounts received will reduce the costs capitalized in the building.

The Coalition signed a sales agreement in May of 2019 to transfer the credit to CLECO for a price of \$74,000. For the transfer to be effective, it must be recorded in the Tax Credit Registry by the LDR. Acknowledgment for the transfer was not received from the LDR until July of 2019. Therefore, no amount for the sale of the tax credit is included in the financial statements for the year ended May 31, 2019.

Use of Estimates

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

Subsequent Events

Management has evaluated subsequent events through August 16, 2019, the date which the financial statements were available for issue. Management's evaluation revealed no subsequent events that require disclosure other than the tax credit discussed above.

2. Cash and Cash Equivalents

Cash on hand	\$	356
Non-interest bearing checking accounts		59,318
Interest bearing money market account		18,792
		78,466
	\$	78,466

3. Grants Receivable

Grants receivable consisted entirely of unconditional promises to give. Details regarding the amount reported on the statement of financial position at May 31, 2019, are provided as follows:

City of Alexandria	\$	25,000
United Way of Central Louisiana, Inc.		6,667
HUD Continuum of Care Program Grant		62,881
HUD Emergency Solutions Grant passed through Louisiana Housing Corporation		20,937
		115,485
	\$	115,485

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2019
Notes to Financial Statements

4. Donated Materials and Supplies

Donated materials and supplies received and recognized as revenue for the year ended May 31, 2019, have been included in the statement of activities as contributions in the amount of \$47,688 and fundraising income in the amount of \$10,305. Since the materials and supplies inventory on hand at year-end was not material to the financial statements taken as a whole, no amount has been reflected in the accompanying statement of financial position for the value of materials and supplies inventory at May 31, 2019.

5. Investments – Central Louisiana Community Foundation

On December 31, 2001, the Coalition established a non-endowed agency fund at the Central Louisiana Community Foundation (the Foundation), by transferring \$1,000 into this fund. The fund is held by the Foundation for the purpose of administering funds for various charitable, cultural, educational, and scientific purposes and organizations primarily in the Central Louisiana community. These funds are not subjected to restrictions whether by donor or otherwise, nor are they required to be held permanently or for any designated purposes other than charitable purposes within the corporate powers of the Coalition. The principal and earnings may be expended in whole or in part as stated in the agreement.

The Coalition may request distribution of all or part of the principal it contributes to the fund as well as any income from the fund. The Board of the Foundation will grant such a request if it concludes that such a distribution is consistent with the charitable purposes of the fund. If the Foundation ceases to be a qualified charitable organization or if the Foundation proposes to dissolve, the assets of the fund shall be distributed to the Coalition. At that time, if the Coalition is not then a qualified charitable organization, the Foundation shall distribute the assets of the fund in a manner and to any organization serving the Central Louisiana community that satisfies the requirements of a qualified charitable organization and serves purposes similar to those of the Coalition. The investments are presented in the financial statements at fair value of \$3,863 at May 31, 2019, as reported by the Central Louisiana Community Foundation.

The Coalition discloses estimated fair value for all financial instruments and non-financial instruments measured at fair value on a recurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Coalition uses Level 2 as their valuation approach when applicable. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels as follows:

- Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2019
Notes to Financial Statements

The Coalition uses the appropriate valuation technique based on the available inputs to measure the fair value of its investments.

Description	Cost	Fair Value Measurement at Reporting Date Using			
		Total 05/31/19	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments – Central Louisiana Community Foundation	\$ 2,305	\$ 3,863	\$ -	\$ 3,863	\$ -

6. Property and Equipment

Building	\$ 557,792
Furniture and equipment	67,259
Vehicle	24,358
Total property and equipment	649,409
Less: accumulated depreciation	(67,371)
Property and equipment, net of depreciation	\$ 582,038

Depreciation expense for the year ended May 31, 2019, was \$28,640.

7. Note Payable

On February 21, 2018, the Coalition entered into an installment note in the amount of \$170,131 with First Federal Bank of Louisiana with the following terms: payments of \$991, including interest at three and one-half percent (3.5%), shall be made monthly through January 21, 2023; the loan is secured by real estate; the loan matures on February 21, 2023, and a single balloon payment of \$139,149 will be due on that date.

First Federal Bank of Louisiana	\$ 162,622
Less: Current portion	6,206
Long-term portion	\$ 156,416

Future maturities of the note payable are as follows:

<u>Years ending May 31:</u>	
2020	\$ 6,206
2021	6,446
2022	6,678
2023	143,292
Total	\$ 162,622

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2019
Notes to Financial Statements

8. Net Assets with Donor Restrictions

Net assets with donor restrictions at May 31, 2019, were restricted for the following purposes:

Expenses for operation of the homeless resource center	\$ 29,300
Outreach	3,208
Total	\$ 32,508

9. Liquidity and Availability of Financial Assets

The following reflects Central Louisiana Coalition to Prevent Homelessness, Inc.'s financial assets as of May 31, 2019, reduced by amounts not available for general use within one year from the date of the statement of financial position because of contractual or donor-imposed restrictions or internal designations.

Financial assets:	
Cash and cash equivalents	\$ 78,466
Grants receivable, net, collected in less than one year	115,485
Investments – Central Louisiana Community Foundation	3,863
Financial assets at year-end	197,814
Less: those unavailable for general expenditure within one year, due to:	
Restricted by donors with purpose restrictions	(32,508)
Total financial assets available to meet cash needs for general expenditures within one year	\$ 165,306

The Coalition must maintain sufficient resources to meet responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Coalition's liquidity management, it structures its financial assets to be available as general expenditures, liabilities, and other obligations come due. The Coalition also invests cash in excess of daily requirements in short term investments such as money market accounts. In addition, the Coalition operates with a balanced budget and anticipates covering its general expenditures by collecting sufficient revenues, and by utilizing donor-restricted resources from current year contributions and grant funds.

10. Conditional Promises to Give

The Coalition is the recipient of HUD (U.S. Department of Housing and Urban Development) Continuum of Care (CoC) grant for HMIS (Homeless Management Information Systems) and HUD (U.S. Department of Housing and Urban Development) Continuum of Care (CoC) grant for LITS (Louisiana Integrated Treatment Services), both of which are available on a cost reimbursement basis. Based on the terms of the grant agreements, the HMIS and LITS awards are not considered revenue until expenses qualifying for reimbursement are incurred. Accordingly, the unexpended portions of HMIS and LITS awards are considered to be conditional promises to give. At May 31, 2019, conditional promises to give from HMIS and LITS awards were \$3,008 and \$19,465, respectively.

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2019
Notes to Financial Statements

11. Contingent Liabilities

Under the terms of federal and state grants, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Any disallowed claims, including amounts already collected, could become a liability of the Coalition. The Coalition's management believes disallowances, if any, will not be material.

12. Significant Concentrations

Credit Risk

The Coalition maintains its cash balances with financial institutions in the Central Louisiana area. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC). As provided under the FDIC, interest-bearing and non-interest-bearing deposit accounts and money market accounts are insured up to \$250,000. There were no uninsured cash balances at May 31, 2019.

The Coalition's investment in the Central Louisiana Community Foundation of \$3,863 is uninsured.

Funding Sources

The U.S. Department of Housing and Urban Development (HUD) provided \$330,969 in grants during the year ended May 31, 2019, which is approximately fifty percent (50%) of total revenue and support. Without these grants, programs would be significantly affected.

Supplementary Information

**Central Louisiana Coalition to Prevent Homelessness, Inc.
Schedule of Compensation, Benefits, and Other Payments
to Agency Head or Chief Executive Officer
Year Ended May 31, 2019**

Schedule 1

Kendra Gauthier, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary and related payroll taxes	<u>\$ 62,947</u>
Total	<u><u>\$ 62,947</u></u>

See independent accountant's review report.

*Central Louisiana Coalition to Prevent
Homelessness, Inc.*

*Agreed-Upon Procedures Report
on Federal, State, and Local Awards*

Alexandria, Louisiana

May 31, 2019



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

**Independent Accountant’s Report
on Applying Agreed-Upon Procedures
on Federal, State, and Local Awards**

To the Board of Directors of
Central Louisiana Coalition to Prevent Homelessness, Inc.
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Central Louisiana Coalition to Prevent Homelessness, Inc. (the Organization), and the Louisiana Legislative Auditor (the specified parties), on the Organization’s compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended May 31, 2019, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Organization’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, we 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 results are as follows:

Federal, State, and Local Awards

- 1. **Procedure:** Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Organization’s management.

Results:

- a) The Organization provided us with the following list of expenditures made for federal grant awards received during the fiscal year ended May 31, 2019. No exceptions were noted as a result of performing this procedure.

<u>Grant Name</u>	<u>Grant Year</u>	<u>CFDA No.</u>	<u>Amount</u>
U.S. Department of Housing and Urban Development Continuum of Care – LITS	2018-2019	14.267	\$ 159,388
U.S. Department of Housing and Urban Development Continuum of Care – HMIS	2018-2019	14.267	62,671

Rebecca B. Morris, C.P.A.
Michael A. Juneau, C.P.A.
Cindy L. Humphries, C.P.A.
Deborah R. Dunn, C.P.A.

Rebecca G. Nation, C.P.A.
Evelyn T. Renfrow, C.P.A.
Kayla G. Holloway, C.P.A.





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To the Board of Directors of
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and the Louisiana Legislative Auditor

<u>Grant Name</u>	<u>Grant Year</u>	<u>CFDA No.</u>	<u>Amount</u>
U.S. Department of Housing and Urban Development Continuum of Care – Planning Activities	2018-2019	14.267	21,437
U.S. Department of Housing and Urban Development Continuum of Care – Coordinated Entry	2018-2019	14.267	35,000
U.S. Department of Housing and Urban Development – Emergency Solutions Grant Program (ESGP) Outreach passed through Louisiana Housing Corporation	2018-2019	14.231	23,701
U.S. Department of Housing and Urban Development – Emergency Solutions Grant Program (ESGP) Prevention passed through Louisiana Housing Corporation	2018-2019	14.231	<u>20,414</u>
Total Expenditures			\$ 322,611

b) The Organization represented that they received no state government grant awards during the fiscal year ended May 31, 2019.

c) The Organization provided us with the following list of expenditures made for local grant awards received during the fiscal year ended May 31, 2019:

<u>Grant Name</u>	<u>Grant Year</u>	<u>Amount</u>
City of Alexandria, Louisiana – Housing Resource Center (HRC)	2018-2019	\$ 25,000
City of Alexandria, Louisiana – match funds	2018-2019	<u>7,500</u>
Total Expenditures		\$ 32,500



PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
Central Louisiana Coalition to Prevent Homelessness, Inc.
and the Louisiana Legislative Auditor

2. **Procedure:** For each federal, state, and local government grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than thirty disbursements are selected.

Results: No exceptions were noted as a result of performing this procedure.

3. **Procedure:** 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.

Results: No exceptions were noted as a result of performing this procedure.

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

Results: No exceptions were noted as a result of performing this procedure.

5. **Procedure:** Report whether the selected disbursements were approved in accordance with the Organization's policies and procedures.

Results: No exceptions were noted as a result of performing this procedure.

6. **Procedure:** 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

Results: No exceptions were noted for activities allowed or unallowed.

Eligibility

Results: No exceptions were noted for eligibility.



PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
Central Louisiana Coalition to Prevent Homelessness, Inc.
and the Louisiana Legislative Auditor

Reporting

Results: No exceptions were noted for reporting.

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

Results: No exceptions were noted as a result of performing this procedure.

Open Meetings

- Procedure:** 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.

Results: Not applicable.

Budget

- Procedure:** For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the Organization 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.

Results: The applicable federal budgets included the purpose and duration of the grant program. Program compliance requirements for the local awards received by the Organization do not require the submission of a budget. No exceptions were noted as a result of performing this procedure.

State Audit Law

- Procedure:** Report whether the Organization provided for a timely report in accordance with R.S. 24:513.

Results: No exceptions were noted as a result of performing this procedure.



PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
Central Louisiana Coalition to Prevent Homelessness, Inc.
and the Louisiana Legislative Auditor

11. **Procedure:** Inquire of management and report whether the Organization entered into any contracts that utilized state funds as defined in R.S. 37:72.1 A. (2); and that were subject to the public bid law (R.S.38:2211, et seq.), while the Organization was not in compliance with R.S. 24:513 (the audit law).

Results: No exceptions were noted as a result of performing this procedure.

Prior Year Comments

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

Results: Not applicable. There were no prior year suggestions, recommendations, or comments.

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. We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the Organization's compliance with the foregoing matters. Accordingly, we do not express such an opinion. 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 the Central Louisiana Coalition to Prevent Homelessness, Inc.'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 results of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Payne, Moore & Herrington, LLP

Certified Public Accountants
Alexandria, Louisiana

August 16, 2019



CENTRAL LOUISIANA HOMELESS COALITION

1515 Jackson Street Alexandria, LA 71301

(318) 443-0500

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

7/3/19 (Date Transmitted)

Payne, Moore & Herrington, LLP

P.O. Box 13200

Alexandria, LA 71315-3200

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of May 31, 2019, 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 [X] 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 grantor officials.

Yes [X] No []

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

Yes [X] 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 Non-Applicable

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. Non Applicable 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 [X] No []

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

Yes [X] No []

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

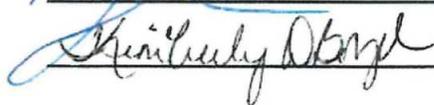
Yes [X] No []

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

Yes [X] 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 this report.

Yes [X] No []

	Executive Director	7/3/19	Date
	Treasurer	7/3/19	Date
	President	7/3/19	Date