

CAMERON COMMUNITY ACTION AGENCY, INC.
Grand Lake, Louisiana

Financial Statements
December 31, 2019

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Broussard & Company
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Cameron Community Action Agency, Inc.
Grand Lake, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Cameron Community Action Agency, Inc. (the Agency) (a non-profit organization) which comprise the statement of financial position as of December 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.

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.

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 of 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 the Agency as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

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

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information on pages 12 through 14 are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2020, on our consideration of the Agency'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 the Agency's internal control over financial reporting and compliance.

Broussard and Company

Lake Charles, Louisiana

June 26, 2020

Cameron Community Action Agency, Inc.
Statement of Financial Position
As of December 31, 2019

Assets	
Current Assets	
Cash and cash equivalents	\$ 101,383
Grants receivable	11,071
Inventory	2,575
Prepaid expenses	20,643
Total Current Assets	<u>135,672</u>
Noncurrent Assets	
Buildings and improvements	3,974,180
Vehicles	158,123
Furniture, fixtures and equipment	320,521
	<u>4,452,824</u>
Less accumulated depreciaiton	<u>(1,654,336)</u>
Total Noncurrent Assets	<u>2,798,488</u>
 Total Assets	 <u><u>\$ 2,934,160</u></u>
Liabilities and Net Assets	
Current Liabilities	
Accounts payable	\$ 13,115
Due to related party	6,000
Accrued payroll	2,604
	<u>21,719</u>
Total Current Liabilities	<u>21,719</u>
Net Assets	
Without Donor Restrictions	<u>2,912,441</u>
Total Net Assets	<u>2,912,441</u>
Total Liabilities and Net Assets	<u><u>\$ 2,934,160</u></u>

Cameron Community Action Agency, Inc.
Statement of Activities
For the Year Ended December 31, 2019

Changes in Net Assets Without Donor Restrictions:

Revenue, Gains and Other Support

Support:

Contributions	\$ 27,035
Grants from governmental agencies and other organizations	873,571
Total support	<u>900,606</u>

Revenues:

Program service fees	13,186
Interest income	-
Total revenues	<u>13,186</u>

Total Revenue, Gains and Other Support

Without Donor Restrictions	<u>913,792</u>
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Expenses

Program Services:

Head Start	697,863
Community Services Block Grant (CSBG)	49,117
Child and Adult Care Food Program (CACFP)	44,270
Low-Income Home Energy Assistance Program (LIHEAP)	15,012
Local funds and programs	8,695
Teen center	11,699
Head Start parent involvement	16,015
Total program services	<u>842,671</u>

Total Expenses	<u>842,671</u>
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Increase in Net Assets Without Donor Restrictions	71,121
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Net Assets Without Donor Restrictions, Beginning of Period	<u>2,841,320</u>
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Net Assets Without Donor Restrictions, End of Period	<u><u>\$ 2,912,441</u></u>
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Cameron Community Action Agency, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2019

Cash Flows From Operating Activities

Change in net assets	\$ 71,121
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	137,941
Decrease in grants receivable	429
Decrease in inventory	538
Decrease in prepaid expenses	188
(Decrease) in accounts payable	(8,938)
Increase in due to related party	6,000
(Decrease) in accrued payroll	(883)
	<hr/>
Net Cash Provided by Operating Activities	<hr/> 206,396

Cash Flows From Investing Activities

Equipment purchases	<hr/> (230,747)
Net Cash Used by Investing Activities	<hr/> (230,747)

Net Decrease in Cash and Cash Equivalents	(24,351)
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Cash and Cash Equivalents - Beginning of Period	<hr/> 125,734
Cash and Cash Equivalents - End of Period	<hr/> <hr/> \$ 101,383

Cameron Community Action Agency, Inc.
Schedule of Functional Expenses
For the Year Ended December 31, 2019

	Program Services							
	Head				Local	Teen	Parent	
	Start	CSBG	CACFP	LIHEAP	funds	Center	Involvement	Total
Salaries	\$ 368,858	\$ 26,222	\$ -	\$ 8,967	\$ -	\$ 10,460	\$ -	\$ 414,507
Payroll taxes	34,888	3,824	-	-	-	-	-	38,712
Direct emergency assistance	-	2,598	-	-	390	-	-	2,988
Utility assistance	-	-	-	3,094	345	-	-	3,439
Contracted Services	6,449	5,521	-	1,274	600	-	210	14,054
Parent Involvement	-	-	-	-	-	-	15,805	15,805
Supplies and materials	-	2,204	-	-	-	1,239	-	3,443
Classroom supplies	22,982	-	-	-	-	-	-	22,982
Office supplies	3,175	962	420	958	1,518	-	-	7,033
Repairs and maintenance	10,086	390	1,206	-	-	-	-	11,682
Training and seminars	17,708	480	94	-	-	-	-	18,282
Travel	3,224	995	-	256	168	-	-	4,643
Utilities	35,159	4,500	2,689	-	2,926	-	-	45,274
Insurance	31,502	-	-	-	-	-	-	31,502
Rent	8,806	-	-	-	-	-	-	8,806
Dues	223	1,083	-	-	400	-	-	1,706
Food purchases	5,875	-	39,861	-	-	-	-	45,736
Non-food purchases	9,177	-	-	-	-	-	-	9,177
Depreciation	136,737	-	-	463	741	-	-	137,941
Miscellaneous	3,014	338	-	-	1,607	-	-	4,959
Total Expenses	\$ 697,863	\$ 49,117	\$ 44,270	\$ 15,012	\$ 8,695	\$ 11,699	\$ 16,015	\$ 842,671

See accompanying notes to financial statements.

CAMERON COMMUNITY ACTION AGENCY, INC.
Notes to Financial Statements
December 31, 2019

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Cameron Community Action Agency, Inc. (the Agency) is a private nonprofit corporation and was incorporated in January of 1987. The Agency will continue in existence for ninety-nine years per its charter and is governed by a board of directors consisting of elected officials, clergymen, local business leaders, advocates for the poor and other interested individuals. The Agency receives grants from the federal and state governments to conduct various service programs.

Service programs include but are not limited to Head Start, Community Service Block grants (CSBG), Child and Adult Food Program (CACFP) and the Low-Income Home Energy Assistance Program (LIHEAP). Head Start provides educational, psychological, nutritional, medical, and social services to the Area's economically challenged pre-school children. CSBG funds are used for administrative and other budgeted purposes as well as direct emergency assistance for qualifying residents. CACFP provides food and food service supplies to the children enrolled in the Head Start program. LIHEAP funds are used for the payment of home energy bills for qualifying residents.

In addition, the Agency handles local funds for energy grants, medical assistance and teen outreach programs as well as dealing with housing issues for qualifying residents.

Income Taxes

The Agency is exempt from federal income taxes under Section 501 (c) (3) of the Internal Revenue Code. Accordingly, no provision for federal and state income taxes is included in the financial statements.

The Agency is required to file the applicable Form 990, *Return of Organization Exempt from Income Tax*. The applicable form is based on the Agency's gross receipts. The Agency is in compliance with the filing requirements of the Internal Revenue Service. Returns are subject to examination by the IRS, generally for three years after they are filed.

Method of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America.

Accounting 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 and disclosures. Accordingly, actual results could differ from those estimates.

CAMERON COMMUNITY ACTION AGENCY, INC.
Notes to Financial Statements (Continued)
December 31, 2019

NOTE 1 - NATURE OF ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Compensated Absences

Vacation and sick leave are recorded as expenditures of the period in which paid. Sick leave accumulates at a rate of 1.5 days per month and is not payable upon termination or resignation. Vacation leave accumulates at the same rate after three months of service has been completed. Upon termination or resignation, a maximum of nine days can be paid to an employee. This same amount can be carried over from year to year. Any liability as of December 31, 2019 would be considered immaterial and has not been recorded on the Agency's accounting records.

Property and Equipment

The Agency capitalizes property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Depreciation of property and equipment is calculated on the straight-line basis over the estimated useful life of the asset. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose.

Contributed Services

No amounts have been reflected in the financial statements for donated services. The Agency generally pays for services requiring specific expertise. However, individuals volunteer their time and perform a variety of tasks that assist the Agency but these services do not meet the criteria for recognition as contributed services.

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Donations

Donations received are recorded as net assets with donor restrictions and net assets without donor restrictions depending on the existence or nature of any donor restrictions.

CAMERON COMMUNITY ACTION AGENCY, INC.
Notes to Financial Statements (Continued)
December 31, 2019

NOTE 2 - PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2019 consists of the following:

Buildings	\$ 3,974,180
Vehicles	158,123
Equipment	<u>320,521</u>
	4,452,824
Less accumulated depreciation	<u>(1,654,336)</u>
Net property and equipment	<u>\$ 2,798,488</u>

Depreciation expense for the year ended December 31, 2019 was \$137,941.

NOTE 3 - FAIR VALUE MEASUREMENTS

The Agency determined the fair value of its assets and liabilities through a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels. Level 1 inputs to the valuation methodology are based on unadjusted quoted prices for identical assets in active markets that the Agency has the ability to access. Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets and/or based on inputs that are derived principally from or corroborated by observable market data. Level 3 inputs are unobservable and are based on assumptions that market participants would utilize in pricing the asset.

The fair value of financial instruments, including cash, approximate the carrying value, principally because of the short maturity of those items and are considered Level 1 or Level 2.

NOTE 4 - ECONOMIC DEPENDENCY

The Agency receives a substantial portion of its total support and revenues from the U.S. Department of Health and Human Services for the Head Start program. A significant reduction in the level of this support or suspension in funding would have an adverse effect on the continuing operations of the Agency.

NOTE 5 - SUBSEQUENT EVENTS

The Agency evaluated its December 31, 2019 financial statements for subsequent events through June 26, 2020, the date of which the financial statements were available to be issued. The Agency is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

CAMERON COMMUNITY ACTION AGENCY, INC.
Notes to Financial Statements (Continued)
December 31, 2019

NOTE 6 – BOARD COMPENSATION

Members of the Agency 's Board of Directors receive no compensation and are reimbursed only for any expenses incurred relating to the Agency's business which must have appropriate supporting documentation.

NOTE 7 – GRANT REVENUE

The Agency's major source of revenue is federal and state governmental grants. The use of these funds is restricted to the purpose set forth in the individual grant agreement. Such grants are subject to review and audit by the grantor agencies. The result of such reviews or audits could result in requests for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the grant. In the opinion of the Agency's management, such disallowances and requests for reimbursements, if any, will not be significant.

NOTE 8 - FUNCTIONAL ALLOCATION OF EXPENSES

Expenses were allocated in the accompanying financial statements to program service functional expense groups. The methods of allocation were based on several factors such as utilization of office space as well as the Agency's estimates of the relative proportion of various staff members' time and effort between program and administrative functions.

NOTE 9 – LEASES

The Company leases land from the Cameron Police Jury. The lease commenced in June 2007 and the lease term is 50 years. Annual payments amount to \$2,200.

Future payments of these leases are \$2,200 for the year ended December 31, 2020, \$2,200 for the year ended December 31, 2021, \$2,200 for the year ended December 31, 2022, \$2,200 for the year ended December 31, 2023, \$2,200 for the year ended December 31, 2024 and \$72,600 thereafter.

CAMERON COMMUNITY ACTION AGENCY, INC.
Notes to Financial Statements (Continued)
December 31, 2019

NOTE 10 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Agency's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. The Agency has \$115,029 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure consisting of cash of \$101,383, grant receivables of \$11,071 and inventory of \$2,575. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date. The grant receivables are subject to implied time restrictions but are expected to be collected within one year. The Agency has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Financial assets available to meet cash needs for general	
expenditures within one year	<u>\$ 115,029</u>

Cameron Community Action Agency, Inc.
Combining Statement of Financial Position
For the Year Ended December 31, 2019

	Local Funds	CACFP	CSBG	Head Start	Total
Assets					
Current Assets					
Cash and cash equivalents	\$ 79,773	\$ 15,570	\$ 20	\$ 6,020	\$ 101,383
Grant receivables	-	-	11,071	-	11,071
Inventory	-	2,575	-	-	2,575
Prepaid expenses	-	-	-	20,643	20,643
Total Current Assets	79,773	18,145	11,091	26,663	135,672
Noncurrent Assets					
Buildings and improvements	130,643	-	-	3,843,537	3,974,180
Vehicles	-	-	-	158,123	158,123
Furniture, fixtures and equipment	53,884	-	-	266,637	320,521
Total	184,527	-	-	4,268,297	4,452,824
Less accumulated depreciation	(176,459)	-	-	(1,477,877)	(1,654,336)
Total Noncurrent Assets	8,068	-	-	2,790,420	2,798,488
Total Assets	\$ 87,841	\$ 18,145	\$ 11,091	\$ 2,817,083	\$ 2,934,160
Liabilities and Net Assets					
Liabilities					
Accounts payable	\$ -	\$ 2,552	\$ -	\$ 10,563	\$ 13,115
Due to related party	6,000	-	-	-	6,000
Accrued payroll	298	-	-	2,306	2,604
Total Current Liabilities	6,298	2,552	-	12,869	21,719
Net Assets					
Without Donor Restrictions	81,543	15,593	11,091	2,804,214	2,912,441
Total Net Assets	81,543	15,593	11,091	2,804,214	2,912,441
Total Liabilities and Net Assets	\$ 87,841	\$ 18,145	\$ 11,091	\$ 2,817,083	\$ 2,934,160

See accompanying notes to financial statements.

Cameron Community Action Agency, Inc.
Schedule of Government Grant Revenue
For the Year Ended December 31, 2019

Head Start	\$ 760,190
CSBG	57,962
CACFP	41,144
LIHEAP	10,020
Local grants	<u>4,255</u>
Total	<u><u>\$ 873,571</u></u>

See accompanying notes to financial statements.

Cameron Community Action Agency, Inc.
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2019

Agency Head Name: Dinah Landry, Executive Director

Purpose	Amount
Salary	\$ 12,000
Benefits - insurance	\$ -
Benefits - retirement	\$ -
Deferred compensation (contributions made by the agency)	\$ -
Benefits - other (pair of shoes)	\$ -
Benefits - other (fuel district vehicle)	\$ -
Car allowance	\$ -
Vehicle provided by government	\$ -
Cell phone	\$ -
Dues	\$ -
Vehicle rental	\$ -
Per diem	\$ -
Reimbursements	\$ -
Travel	\$ -
Registration fees	\$ -
Conference travel	\$ -
Housing	\$ -
Unvouchered expenses	\$ -
Special meals	\$ -
Other	\$ -

See accompanying notes to the financial statements.



Broussard & Company
Certified Public Accountants

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
Cameron Community Action Agency, Inc.
Grand Lake, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Cameron Community Action Agency, Inc. (a nonprofit organization) (the Agency), which comprise the statement of financial position as of December 31, 2019, 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 June 26, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency'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 the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Agency'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.

Board of Directors
Cameron Community Action Agency, Inc.
Lake Charles, Louisiana

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Broussard and Company

Lake Charles, Louisiana
June 26, 2020

CAMERON COMMUNITY ACTION AGENCY, INC.

**Schedule of Findings and Questioned Cost
Year Ended December 31, 2019**

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued				Unmodified
Internal control over financial reporting:				
Material weaknesses identified?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> No	
Significant deficiencies identified not considered to be material weaknesses?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> None reported	
Noncompliance material to financial statements noted?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> No	



Broussard & Company
Certified Public Accountants

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

To the Board of Directors and Management
Cameron Community Action Agency, Inc.

Report on Compliance for Each Major Federal Program

We have audited Cameron Community Action Agency, 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 Cameron Community Action Agency, Inc.'s major federal programs for the year ended December 31, 2019. Cameron Community Action Agency, Inc.'s major federal program is 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Cameron Community Action Agency, 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* 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 Cameron Community Action Agency, 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 Cameron Community Action Agency, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Cameron Community Action Agency, 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 program for the year ended December 31, 2019.

Report on Internal Control Over Compliance

Management of Cameron Community Action Agency, 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 Cameron Community Action Agency, 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 in 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 Cameron Community Action Agency, 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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.

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.

Broussard and Company

Lake Charles, Louisiana
June 26, 2020

**Cameron Community Action Agency, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2019**

Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the Cameron Community Action Agency, Inc. were prepared in accordance with GAAP.
2. No material weaknesses or significant deficiencies are reported during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the Cameron Community Action Agency, Inc.
4. No material weaknesses or significant deficiencies in internal control over major federal award programs are reported.
5. The auditor's report on compliance for the major federal award program for the Cameron Community Action Agency, Inc. expresses an unmodified opinion on the major federal award program.
6. There were no audit findings required to be reported in accordance with 2 CFR Section 200.516(a).
7. The program tested as a major program was: Head Start 93.600.
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The Cameron Community Action Agency, Inc. was determined to be a high-risk auditee.

Cameron Community Action Agency, Inc.
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2019

Federal Grantor	Program	Federal CFDA Number	Total Federal Expenditures
U.S. Department of Health and Human Services:			
	Head Start	93.600	\$ 772,125
	Community Services Block Grant	93.569	48,942
	Low Income Home Energy Assistance Program	93.568	14,466
U.S. Department of Agriculture:			
	Child and Adult Care Food Program	10.558	<u>53,447</u>
	Total Expenditures of Federal Awards		<u><u>\$ 888,980</u></u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

Cameron Community Action Agency, Inc.
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2019

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Cameron Community Action Agency, Inc. under programs of the federal government for the year ended December 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Cameron Community Action Agency, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Cameron Community Action Agency, Inc.

Note B – Summary of Significant Accounting Policies

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

Note C – Indirect Cost Rate

Cameron Community Action Agency, Inc. has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



Broussard & Company
Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of Cameron Community Action Agency, Inc. and the Louisiana Legislative Auditor:

We have performed the procedure enumerated below, which was agreed to by Cameron Community Action Agency, Inc. (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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 procedure is as follows:

Written Policies and Procedures

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

- f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- j) ***Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Results: No exceptions noted.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Broussard and Company

Lake Charles, Louisiana
June 26, 2020