

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

**FINANCIAL STATEMENTS  
AND  
AUDITOR'S REPORT**

**December 31, 2018**

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

**TABLE OF CONTENTS**

	<b>PAGE</b>
INDEPENDENT AUDITOR'S REPORT	3
STATEMENT OF FINANCIAL POSITION	5
STATEMENT OF ACTIVITIES	6
STATEMENT OF CASH FLOWS	7
NOTES TO FINANCIAL STATEMENTS	8
SUPPLEMENTAL SCHEDULES	
COMBINED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS	14
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	15
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER	17
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINICIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u>	18
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	20
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	22

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

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, 2018, 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, 2018, 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.

### 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 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 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 May 9, 2019, 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. Scamler, CPA, CCE*

New Orleans, Louisiana  
May 9, 2019

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

**STATEMENT OF FINANCIAL POSITION**

**December 31, 2018**

**ASSETS**

**Current Assets**

Cash \$ 429,782

Receivables

Grants (Notes A4 and B) \$ 294,311  
Other 7,476 301,787

Prepaid expenses and deposits 19,673

Total current assets 751,242

Land, buildings, and equipment - at cost  
(Notes A5 and C)

3,816,550

Total assets \$ 4,567,792

**LIABILITIES AND NET ASSETS**

**Current liabilities**

Notes payable (Note D) \$ 115,000

Accounts payable and accrued liabilities 94,368

Total current liabilities 209,368

**Net assets**

Without donor restrictions 240,681

With donor restrictions 4,117,743

Total net assets 4,358,424

Total liabilities and net assets \$ 4,567,792

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

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

**STATEMENT OF ACTIVITIES**

December 31, 2018

	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTIONS</u>	<u>TOTAL</u>
<b>REVENUES</b>			
Grant appropriations	\$ -	\$ 931,128	\$ 931,128
Contributions	8,600	-	8,600
Other	75,856	359,417	435,273
Net assets released from restrictions	<u>1,252,544</u>	<u>(1,252,544)</u>	-
<b>TOTAL REVENUES</b>	<u>1,337,000</u>	<u>38,001</u>	<u>1,375,001</u>
<b>EXPENSES</b>			
Salaries	562,644	-	562,644
Fringe benefits	98,959	-	98,959
Travel	6,776	-	6,776
Insurance	122,818	-	122,818
Professional services	161,064	-	161,064
Occupancy	60,947	-	60,947
Telephone	26,446	-	26,446
Bank charges	1,611	-	1,611
Food	36,189	-	36,189
Supplies	32,228	-	32,228
Equipment	166,312	-	166,312
Trash removal	1,615	-	1,615
Vehicle expense	3,943	-	3,943
Rental assistance	110,023	-	110,023
Interest	4,989	-	4,989
Other costs	16,028	-	16,028
Repairs and maintenance	<u>58,085</u>	-	<u>58,085</u>
<b>TOTAL EXPENSES</b>	<u>1,470,677</u>	<u>-</u>	<u>1,470,677</u>
Increase (decrease) in net assets	( 133,677)	38,001	( 95,676)
Net assets, beginning of year	<u>374,358</u>	<u>4,079,742</u>	<u>4,454,100</u>
Net assets, end of year	\$ <u>240,681</u>	\$ <u>4,117,743</u>	\$ <u>4,358,424</u>

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, 2018**

Cash flows from operating activities:	
Changes in net assets	\$ ( 95,676)
Adjustments to reconcile changes in net assets to net cash provided by <used in> operating activities:	
Depreciation	161,107
(Increase) decrease in grants receivables	72,076
(Increase) decrease in other receivables	( 2,001)
(Increase) decrease in prepaid expenses and deposits	1,184
Increase (decrease) in accounts payable and accrued liabilities	<u>21,470</u>
Net cash provided by <used in> operating activities	<u>158,160</u>
Cash flows from investing activities:	
Capitalization of building costs and real estate	<u>(120,422)</u>
Net cash provided by (used in) investing activities	<u>(120,422)</u>
Cash flows from financing activities:	
Proceeds from note payable	<u>65,000</u>
Net cash provided by (used in) financing activities	<u>65,000</u>
Net <decrease> increase in cash and cash equivalents	102,738
Cash and cash equivalents, beginning of year	<u>327,044</u>
Cash and cash equivalents, end of year	\$ <u>429,782</u>
Cash flow information:	
Interest paid during the year	\$ <u>4,989</u>

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

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

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2018**

**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**

Net assets and revenue, gains and losses are classified based on donor-imposed restrictions. Accordingly, net assets of Concerned Citizens For A Better Algiers, Inc. and changes therein are classified and reported as follows:

**Without Donor Restrictions** - Those resources not subject to donor-imposed restrictions. The board of directors has discretionary control over these resources. Designated amounts represent those net assets that the board has set aside for a particular purpose.

**With Donor Restrictions** - Those resources subject to donor-imposed restrictions that will be satisfied by action of Concerned Citizens For A Better Algiers, Inc. or by the passage of time.

**3. Revenue Recognition**

Contributed support is reported as Without Donor Restrictions or With Donor Restrictions 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, donor restrictions are reclassified to "without donor restrictions", 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, 2018

NOTE A - SUMMARY OF 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. Deprecation expense for the year ended December 31, 2018 totaled \$161,107.

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 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 benefitted 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 (May 9, 2019).

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2018

**NOTE B - GRANTS RECEIVABLE**

Grants Receivable at December 31, 2018 consist of the following:

City of New Orleans	\$ <u>294,311</u>
---------------------	-------------------

**NOTE C - LAND, BUILDING, AND EQUIPMENT**

Land, buildings and equipment at December 31, 2018 consist of the following:

Buildings	\$ 4,821,756
Transportation equipment	51,957
Equipment	<u>4,065</u>
	4,877,778
Less accumulated depreciation	<u>(1,671,886)</u>
	3,205,892
Construction-in-progress	<u>353,071</u>
	3,558,963
Land	<u>257,587</u>
	\$ <u>3,816,550</u>

**NOTE D - NOTE PAYABLE**

Note payable at December 31, 2018 consists of the following:

Note payable to financial institution, revolving line of credit with an interest rate at 7.25%, due August 6, 2019.	\$ <u>115,000</u>
--	-------------------

The interest expenses for the year ended December 31, 2018 totaled \$4,989.

**NOTE E - WITH DONOR RESTRICTIONS NET ASSETS**

Temporarily restricted net assets consist of the following at December 31, 2018:

Property and equipment-restricted	\$ 4,096,048
Ryan White	<u>21,695</u>
	\$ <u>4,117,743</u>

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

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2018**

**NOTE F - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

Concerned Citizens For A Better Algiers, Inc. maintains operating revenue for general expenditures. The current financial assets totaled \$429,782 at December 31, 2018 are available for general expenditures, that is, without donor or other restrictions limiting their use.

As part of Concerned Citizens For A Better Algiers, Inc.'s liquidity management, it primarily maintains its current assets in cash and cash equivalent.

**NOTE G - FUNCTIONAL EXPENSES**

Functional expenses for the year ended December 31, 2018 are as follows:

	<u>PROGRAM EXPENSES</u>			<u>SUPPORTIVE SERVICES</u>		
	RENTAL	RENTAL	PROGRAM	MANAGEMENT		
	INDIVIDUALS	FOR THE	PROGRAM	AND GENERAL		
	<u>WITH AIDS</u>	<u>HOMELESS</u>	<u>SUBTOTAL</u>	<u>SUBTOTAL</u>		<u>TOTAL</u>
Salaries	\$ 462,604	\$ 65,513	\$ 528,117	\$ 34,527	\$	\$ 562,644
Fringe Benefits	82,401	5,195	87,596	11,363		98,959
Travel	1,564	-	1,564	5,212		6,776
Insurance	65,007	47,637	112,644	10,174		122,818
Professional services	136,564	598	137,162	23,902		161,064
Occupancy	18,700	26,122	44,822	16,125		60,947
Telephone	12,468	594	13,062	13,384		26,446
Bank charges	1,200	-	1,200	411		1,611
Food	32,574	-	32,574	3,615		36,189
Supplies	20,465	9,844	30,309	1,919		32,228
Equipment	153	161,466	161,619	4,693		166,312
Trash removal	1,615	-	1,615	-		1,615
Vehicle expense	827	34	861	3,082		3,943
Rental assistance	98,076	-	98,076	11,947		110,023
Interest	-	-	-	4,989		4,989
Other costs	792	5,204	5,996	10,032		16,028
Repairs and maintenance	<u>16,498</u>	<u>32,227</u>	<u>48,725</u>	<u>9,360</u>		<u>58,085</u>
	<u>\$ 951,508</u>	<u>\$ 354,434</u>	<u>\$ 1,305,942</u>	<u>\$ 164,735</u>		<u>\$ 1,470,677</u>

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

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2018**

**NOTE H - 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 I - BOARD OF DIRECTORS COMPENSATION**

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

**NOTE J - CONCENTRATION OF CREDIT RISK**

As of December 31, 2018, the corporation's cash balance consists of the following:

Cash balances, per bank statement	\$ 441,347
Less FDIC insurance	<u>(422,784)</u>
Unsecured balances	<u>\$ 18,563</u>

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 was aware that the federal government is reducing funding to the Housing Opportunities for Persons with Aids (HOPWA) program for the next fiscal year. The actual reduction is not known as of the date of the audit report.

The corporation is supported primarily through grants from governmental agencies. Approximately 68% of the corporation supported for the year ended December 31, 2018 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, 2018

	<u>GENERAL</u>	<u>HOPWA</u>	<u>RYAN WHITE</u>	<u>PROPERTY AND EQUIPMENT</u>	<u>TOTAL</u>
<b>REVENUES</b>					
Grant appropriations	\$ 9,197	\$ 785,930	\$ 136,000	\$ -	\$ 931,127
Other	<u>33,427</u>	<u>17,177</u>	<u>-</u>	<u>393,270</u>	<u>443,874</u>
<b>TOTAL REVENUES</b>	<u>42,624</u>	<u>803,107</u>	<u>136,000</u>	<u>393,270</u>	<u>1,375,001</u>
<b>EXPENSES</b>					
Salaries	34,527	439,533	23,071	65,513	562,644
Fringe benefits	11,363	80,566	1,835	5,195	98,959
Travel	5,212	1,564	-	-	6,776
Insurance	10,174	65,007	-	47,637	122,818
Professional services	23,902	25,148	111,416	598	161,064
Occupancy	16,125	18,700	-	26,122	60,947
Telephone	13,384	12,468	-	594	26,446
Bank Charges	411	1,200	-	-	1,611
Food	3,615	32,574	-	-	36,189
Supplies	1,919	20,401	64	9,844	32,228
Equipment	4,693	153	-	161,466	166,312
Trash removal	-	1,615	-	-	1,615
Vehicle expense	3,082	827	-	34	3,943
Rental assistance	11,947	98,076	-	-	110,023
Interest	4,989	-	-	-	4,989
Other costs	10,032	792	-	5,204	16,028
Repairs and maintenance	<u>9,360</u>	<u>16,498</u>	<u>-</u>	<u>32,227</u>	<u>58,085</u>
<b>TOTAL EXPENSES</b>	<u>164,735</u>	<u>815,122</u>	<u>136,386</u>	<u>354,434</u>	<u>1,470,677</u>
Increase <decrease> in net assets	(122,111)	( 12,015)	( 386)	38,836	( 95,676)
Transfer to/from general	( 12,015)	12,015	-	-	-
Net assets, beginning of year	( 29,964)	<u>-</u>	<u>22,081</u>	<u>4,461,983</u>	<u>4,454,100</u>
Net assets, end of year	\$ <u>(164,090)</u>	\$ <u>-</u>	\$ <u>21,695</u>	\$ <u>4,500,819</u>	\$ <u>4,358,424</u>
Net assets:					
Without donor restrictions				\$ 404,771	
With donor restrictions				<u>4,096,048</u>	
				<u>\$ 4,500,819</u>	

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the year December 31, 2018**

<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-026C	14.241	\$ 815,121
Audit		14.219	<u>9,197</u>
<b>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<b><u>824,318</u></b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Funds passed through City of New Orleans			
Ryan W. White Title I		93.118	<u>136,000</u>
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b><u>136,000</u></b>
Total expenditures of federal awards			<b><u>\$ 960,318</u></b>

**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, 2018. 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 December 31, 2018**

**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 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, 2018.

**CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.**  
**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS**  
**TO AGENCY HEAD OR CHIEF EXECUTIVE DIRECTOR**

**For the year December 31, 2018**

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

<u>Purpose</u>	<u>Amount</u>
Compensation	\$ 100,500
Reimbursements - various program supplies	417

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

To the 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. (a nonprofit corporation) which comprise the statement of financial position as of December 31, 2018 and the related statements of activities, and cash flows and for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 9, 2019.

### 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 over financial reporting 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 the 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 Standards Auditing* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for an 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  
May 9, 2019

# 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 COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the 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, 2018. 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 Standards 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, 2018.

## 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 of 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 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 that might be deficiencies, significant deficiencies or material weaknesses. 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.



New Orleans, Louisiana  
May 9, 2019

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended December 31, 2018

**A. SUMMARY OF THE AUDIT RESULTS**

**Financial Statements**

Type of auditor's report issued

Unmodified

Internal control over financial reporting:

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

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified?  yes  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  no

**Identification of major programs:**

**CFDA Number(s)**

14.241

**Name of Federal Program**

U.S. Department of Housing and Urban Development and 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  no

**B. FINANCIAL STATEMENT AUDIT**

There were no findings related to the financial statements for the year ended December 31, 2018.

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

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, 2018**

# Justin J. Scanlan, C.P.A., 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 ending December 31, 2018. 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 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 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.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

**No exceptions were noted.**

**Board or Finance Committee**

Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities*

*reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal year.*

For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

### **Result**

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

### **Bank Reconciliations**

Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each account selected, and observe that:

Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

### **Result.**

A review of the rental and fundraising bank reconciliations for the year ended December 31, 2018 noted checks and deposits-in-transit over one year old were not voided.

## **Collections**

Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared, and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Employees that are responsible for cash collections do not share cash drawers/registers. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to be deposit.

Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

Observe that receipts are sequentially pre-numbered.

Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Trace the deposit slip total to the actual deposit per the bank statement.

Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more that 10 miles from the collection

location or the deposit is less than \$100).

Trace the actual deposit per the bank statement to the general ledger.

**Note**

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

**Non-Payroll Disbursements - (excluding card purchases/payments, travel reimbursements, and petty cash purchases)**

Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

For each location selected, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has not written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

At least two employees are involved in processing and approving payments to vendors.

The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

For each location selected above also, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

Observe that the disbursement matched the related original invoice/billing statement.

Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties, as applicable.

**Not applicable – There were no errors in the preceding year.**

## **Credit Cards**

Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), for the fiscal period, 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 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) 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.])

Observe that finance charges and late fees were not assessed on the selected statements.

Using the monthly statements or combined statements selected, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transactions, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

**No exceptions were noted.**

## **Travel and Travel-Related Expense Reimbursement (excluding card transactions)**

Obtain from management a listing of all travel and related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Observe that each reimbursement supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy.

Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**No exceptions were noted.**

### **Contracts**

Obtain from management a listing of all agreements/contracts for professional services, material and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

**No exceptions were noted.**

### **Payroll and Personnel**

Obtain a listing of the employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Randomly select one pay period during the fiscal period. For the 5 employees/officials selected, obtain attendance records and leave documentation for the pay period and:

Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not 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.)

Observe that supervisors approved the attendance and leave of the selected employees/officials.

Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

**Not applicable – There were no errors in the preceding year.**

### **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**

Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abusive of public funds.

**No exceptions were 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 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. Scamler, CPA, LLC*

New Orleans, Louisiana  
May 9, 2019

# 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

## Statewide Agreed-upon Procedures For the year ended December 31, 2018

### Board or Finance Committee

Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

#### Result

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

#### Response

Going forward the Board of Directors will review the monthly budget-to-actual comparisons and reflect in the minutes that it has been reviewed.

### Bank Reconciliations

Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

#### Result

A review of the rental and fundraising bank reconciliations for the year ended December 31, 2018 noted checks and deposits-in-transit over one-year-old were not voided.

#### Response

Once the monthly bank reconciliations are complete the Business Manager will review the outstanding checks on each account and research those that are 6 months or older to determine their status to take the appropriate action. The check will either be voided and / or reissue to vendor.