

NORTHSHORE HOUSING INITIATIVE, INC.
(A Nonprofit Organization)

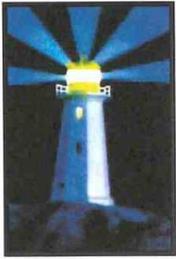
FINANCIAL STATEMENTS

FOR THE YEARS ENDED
JUNE 30, 2017 AND 2016

NORTHSHORE HOUSING INITIATIVE, INC.
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

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BERNARD & FRANKS
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH V. FRANKS II, C.P.A.

NICHOLAS W. LAFRANZ III, C.P.A.

JAMES L. WHITE, C.P.A.

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Northshore Housing Initiative, Inc.
Mandeville, Louisiana

Report on the Financial Statements

We have reviewed the accompanying financial statements of Northshore Housing Initiative, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

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

Accountant's Conclusion

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

Report on 2016 Financial Statements

The 2016 financial statements were audited by us, and we expressed an unmodified opinion on them in our report dated November 29, 2016. We have not performed any auditing procedures since that date.

Supplementary Information

The supplementary information included in Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

A handwritten signature in cursive script that reads "Bernard & Franks".

Metairie, Louisiana
December 15, 2017

NORTHSHORE HOUSING INITIATIVE, INC.

**STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2017 AND 2016**

	<u>2017</u> <u>(Reviewed)</u>	<u>2016</u> <u>(Audited)</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 18,306	\$ 8,356
Accounts Receivable- Government Agency	48,839	63,855
Total current assets	<u>\$ 67,145</u>	<u>\$ 72,211</u>
LAND-designated for leases	<u>\$ 247,500</u>	<u>\$ 130,944</u>
OTHER ASSETS		
Deposits	\$ 395	\$ 395
Prepaid Expense	550	-
Total other assets	<u>\$ 945</u>	<u>\$ 395</u>
Total assets	<u><u>\$ 315,590</u></u>	<u><u>\$ 203,550</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 12,875	\$ 17,160
Line of credit	29,277	42,244
	<u>\$ 42,152</u>	<u>\$ 59,404</u>
NET ASSETS		
Unrestricted	\$ 25,938	\$ 13,202
Board designated	247,500	130,944
Total net assets	<u>\$ 273,438</u>	<u>\$ 144,146</u>
Total current liabilities and net assets	<u><u>\$ 315,590</u></u>	<u><u>\$ 203,550</u></u>

See accompanying Notes and Accountants Report.

NORTHSHORE HOUSING INITIATIVE, INC.

**STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016**

	<u>2017</u> (Reviewed)	<u>2016</u> (Audited)
UNRESTRICTED NET ASSETS		
REVENUES, GAINS, AND OTHER SUPPORT		
Government grant	\$ 255,023	\$ 198,487
Contributions	4,967	19,710
Lease fees	3,105	1,575
TOTAL UNRESTRICTED REVENUES, GAINS AND OTHER SUPPORT	<u>\$ 263,095</u>	<u>\$ 219,772</u>
EXPENSES		
Program services	\$ 93,599	\$ 115,248
Supporting services		
General and administrative	35,122	24,938
Fundraising	5,082	3,552
Total expenses	<u>\$ 133,803</u>	<u>\$ 143,738</u>
Increase (decrease) in net assets	\$ 129,292	\$ 76,034
NET ASSETS BEGINNING OF YEAR	<u>\$ 144,146</u>	<u>\$ 68,112</u>
NET ASSETS END OF YEAR	<u><u>\$ 273,438</u></u>	<u><u>\$ 144,146</u></u>

See accompanying Notes and Accountants Report.

NORTHSHORE HOUSING INITIATIVE, INC.

**STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2017**

	2017 (Reviewed)			
	Program Services	Supporting Services		
	Affordable Housing Program	Management and General	Fundraising	Total
Dues and fees	\$ -	\$ 1,405	\$ 1,000	\$ 2,405
Compensation	77,637	10,815	3,605	92,057
Insurance	2,387	-	-	2,387
Interest	-	1,975	-	1,975
Miscellaneous	-	1,536	-	1,536
Office expenses	-	4,162	477	4,639
Professional fees	13,257	5,050	-	18,307
Rent	-	4,640	-	4,640
Telephone	-	840	-	840
Travel	318	3,211	-	3,529
Website	-	1,488	-	1,488
Total expenses	<u>\$ 93,599</u>	<u>\$ 35,122</u>	<u>\$ 5,082</u>	<u>\$ 133,803</u>

See accompanying Notes and Accountants Report.

NORTHSHORE HOUSING INITIATIVE, INC.

**STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2016**

	2016 (Audited)			
	Program Services	Supporting Services		
	Affordable Housing Program	Management and General	Fundraising	Total
Dues and fees	\$ -	\$ 1,839	\$ -	\$ 1,839
Compensation	75,974	10,656	3,552	90,182
Insurance	2,492	-	-	2,492
Interest	-	897	-	897
Miscellaneous	-	1,886	-	1,886
Office expenses	-	2,631	-	2,631
Professional fees	31,130	6,190	-	37,320
Rent	4,345	-	-	4,345
Telephone	-	550	-	550
Travel	1,276	-	-	1,276
Website	31	289	-	320
Total expenses	\$ 115,248	\$ 24,938	\$ 3,552	\$ 143,738

See accompanying Notes and Accountants Report.

NORTHSHORE HOUSING INITIATIVE, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016**

	<u>2017</u> (Reviewed)	<u>2016</u> (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 129,292	\$ 76,034
(Increase) decrease in operating assets:		
Accounts receivable	15,016	(31,179)
Deposit & prepaid expense	(550)	10
Increase (decrease) in operating liabilities:		
Accounts payable	(4,285)	16,890
Net cash provided by (used in) operating activities	<u>\$ 139,473</u>	<u>\$ 61,755</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of land designated for leases	\$ (116,556)	\$ (78,544)
Net cash provided by (used in) investing activities	<u>\$ (116,556)</u>	<u>\$ (78,544)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from line of credit	\$ 123,918	\$ 97,012
Payments on line of credit	(136,885)	(80,829)
Net cash provided by (used in) financing activities	<u>\$ (12,967)</u>	<u>\$ 16,183</u>
 NET (INCREASE) DECREASE IN CASH AND CASH EQUIVALENTS	 \$ 9,950	 \$ (606)
 BEGINNING CASH AND CASH EQUIVALENTS	 <u>8,356</u>	 <u>8,962</u>
 ENDING CASH AND CASH EQUIVALENTS	 <u><u>\$ 18,306</u></u>	 <u><u>\$ 8,356</u></u>

See accompanying Notes and Accountants Report.

NORTHSHORE HOUSING INITIATIVE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Northshore Housing Initiative, Inc. was organized as a nonprofit organization in 2005. The Organization is a community land trust that is committed to the permanent stewardship of land and the long-term affordability of workforce housing. Using a shared equity model, the Organization helps moderate-income homebuyers purchase a home by investing in the land. The land is leased to the homebuyer by the trust with a long-term lease that includes a resale formula to ensure affordability is preserved for the next buyer.

Mission

The Organization, a community land trust, is committed to the permanent stewardship of land and the long-term affordability of workforce housing. Using a shared equity model, the Organization helps moderate-income homebuyers purchase a home by investing in the land. The land is leased to the homebuyer by the trust with a long-term lease that includes a resale formula to ensure affordability is preserved for the next buyer.

The Organization currently operates an owner identified homeownership program. Once qualified for the land purchase grant the homeowner pre-qualifies with a lending partner and finds the house they wish to purchase. Through local partnerships the Organization provides homebuyer and financial literacy training and insures safe and affordable mortgages for homebuyers. The owner identified program has closed on nine properties to date. St. Tammany Parish grants fund the land purchases and certain Organizational operating costs.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) topic 958, Not- For- Profit Entities. The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

NORTHSHORE HOUSING INITIATIVE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Organization uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. It is management's judgment that any allowance for uncollectible receivables was immaterial as of June 30, 2017 and 2016.

Donated Assets and Services

Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions over the useful life of the donated asset. The Organization reclassifies temporarily restricted net assets to unrestricted net assets over such useful life.

Contributions of donated non-cash assets are recorded at their fair market value in the period received. Contribution of donated services that create or enhance non-financial assets or that requires specialized skills are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair market values in the period received. For the year ended June 30, 2017 and 2016, the Organization had no in kind contributed services.

Property and Equipment

The Organization capitalizes all expenditures in excess of \$2,500 for property and equipment at cost. Contributed property and equipment is recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis. Routine repairs and maintenance are expensed as incurred.

NORTHSHORE HOUSING INITIATIVE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Concentrations

The Organization's primary source of revenue is from a governmental grant for real estate and organization expenditures. For the fiscal year ended June 30, 2017 and 2016, \$255,023 and \$198,487, or 97% and 90% of the Organization's total gross revenue was from the government grant. Additionally, \$4,967 and \$19,710 or 2% and 9% of the total gross revenue was from contributions. The remaining \$3,105 and \$1,575 or 1% and 1% of the total gross revenue was from fees related to leases.

Income Tax Status

The Organization is a nonprofit organization and exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and classified by the Internal Revenue Code as other than a private foundation. The Organization believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to financial statements. The Organization's Federal Exempt Information Returns (Form 990) for year ended June 30, 2015, 2016 and 2017 are subject to examination by the IRS, generally for three years after they were filed.

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.

NOTE 2. CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash balances at one financial institution. Accounts at the Institution are insured by the Federal Deposit Insurance Corporation (FDIC insured) for amounts up to \$250,000. As of June 30, 2017 and 2016, the Organization has no uninsured balances.

NOTE 3. LINE OF CREDIT

The Organization has a \$120,000 bank line of credit which matures July 15, 2017. Amounts borrowed under this agreement bear interest at 4.25%. For the years ended June 30, 2017 and 2016, \$29,276 and \$42,244 was outstanding on this line, respectively. The line is secured by the sub recipient grant the Organization has with St. Tammany Parish.

NORTHSHORE HOUSING INITIATIVE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016

NOTE 4. LEASING ACTIVITIES

The Organization's leasing activities consists of the leasing of land to qualified homebuyers. The Organization had nine leases by the year ended June 30, 2017. Each lease is for a term of 99 years and requires a monthly payment of \$45. The Organization received \$3,105 and \$1,575 in lease fee payments for the years ended June 30, 2017 and 2016, respectively. The following is a schedule by years of future minimum proceeds under the leases at June 30, 2017:

<u>Year Ended June 30,</u>	<u>Amount</u>
2018	\$ 2,160
2019	2,160
2020	2,160
2021	2,160
2022	2,160
Thereafter	198,855
Total	<u>\$ 209,655</u>

NOTE 5. LEASE

The Organization leased its administrative office located in Covington, Louisiana. Through December 31, 2017 at a monthly rent of \$395. Beginning January 1, 2018 a new lease located in Slidell, Louisiana was executed. The lease term is for twelve months ending December 31, 2018. The new lease requires monthly payments of \$425. Rental expense for the year ended June 30, 2017 and 2016 were \$4,640 and \$4,345. Future minimum lease payments are as follows:

<u>Year ended June 30, 2017</u>	<u>Amount</u>
2018	\$ 4,920
2019	2,550
Total	<u>\$ 7,470</u>

NOTE 6. BOARD DESIGNATED NET ASSETS

For the years ended June 30, 2017 and 2016, board designated net assets were set aside for the following purpose:

	<u>2017</u>	<u>2016</u>
Land trust	\$ 247,500	\$ 130,944

NORTHSHORE HOUSING INITIATIVE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016

NOTE 7. BOARD OF DIRECTORS

The Board of Directors' serves the Organization without compensation.

NOTE 8. SUBSEQUENT EVENTS

Subsequent events were evaluated through December 15, 2017, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

NORTHSHORE HOUSING INITIATIVE, INC.
SCHEDULE 1- SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO THE EXECUTIVE
DIRECTOR AND RELATED NOTES
YEAR ENDED JUNE 30, 2017

Executive Director: Ann Borne

Compensation	\$	72,100
Phone allowance		600
Reimbursements		
Office supplies		13
Meals		40
Travel		1,801
	\$	<u>74,554</u>

NOTE A. REIMBURSABLE EXPENSES

The executive director is reimbursed for expenses that were paid for the benefit of the Organization. Reimbursable expenses included office supplies, meals and travel.

AGREED-UPON PROCEDURES REPORTS



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

To the Board of Directors
Northshore Housing Initiative
New Orleans, Louisiana

We have performed the procedures enumerated below as they are a required part of the engagement. We are required to perform each procedure and report the results, including any exceptions. Management is required to provide a corrective action plan that addresses all exceptions noted. For any procedures that do not apply, we have marked "not applicable."

Management of the Northshore Housing Initiative., a nonprofit corporation, is responsible for its financial records, establishing internal controls over financial reporting, and compliance with applicable laws and regulations. These procedures were agreed to by management of the Northshore Housing Initiative and the Legislative Auditor, State of Louisiana, solely to assist the users in assessing certain controls and in evaluating management's assertions about the Northshore Housing Initiative. compliance with certain laws and regulations during the year ended June 30, 2017.

This agreed-upon procedures engagement was performed 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.

Federal, State, and Local Awards

1. We determine the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

The following table describes the federal, state, and local award expenditures for the fiscal year:

<u>Agency</u>	<u>Grant Name</u>	<u>Federal</u>	<u>Award</u>	<u>From</u>	<u>To</u>
St. Tammany Parish Government Community Housing Development Organization	St. Tammany Land Trust Program	HUD	\$400,000	6/1/2016	5/31/2017
	Operating Expense Agreement	HUD	\$75,925	7/1/2015	6/30//2017

The St. Tammany Parish Government federal grant is a multi-year commitment to Northshore Housing Initiative. For the year ended June 30, 2017 \$60,681 was expended for operating expenses and \$29,277 for the real estate acquisition part of the grant.

2. For each federal, state, and local award:

- We randomly select six disbursements from each award administered during the period under examination, provided that no more than 30 disbursements in total will be selected.

We selected six (6) disbursements from the following award administered during the year of our review:

- ✓ St. Tammany Parish Government – St. Tammany Parish Land Trust Program
- ✓ Community Housing Development Organization – Operating Expense Agreement
- We traced the six disbursements for each award to supporting documentation as to proper amount and payee.
- We determined that the six disbursements for each award were properly coded to the correct fund and general ledger account.
- We determined that the six disbursements for each award received approval from proper authorities.
- For federal awards, we determine that the disbursements selected complied with the applicable specific program compliance requirements summarized in the *Compliance Supplement* or contained in the grant agreement, if the program is not included in the *Compliance Supplement* and for state and local awards, determine whether the disbursements comply with the grant agreement, relating to:
 - Activities allowed or unallowed
 - Eligibility
 - Reporting

Results of Above Procedures:

No exceptions were found regarding proper supporting documents, proper coding, documents were properly approved and were allowable, eligible costs.

3. For the programs selected for testing in Item 2 that have been closed out during the period under review, we compared the close-out report, when required, with the entity's financial records and determined that the amounts agreed.

Open Meetings

4. Examine evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law).

This procedure does not apply to this Organization.

Budget

5. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agencies was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

No exceptions were noted.

Prior Comments and Recommendations

6. Review any prior year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

No prior year suggestions, recommendations, and/or comments were made for this Organization.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Northshore Housing Initiative, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Metairie, Louisiana
December 15, 2017



**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES UNDER ACT 774**

To the Board of Directors of
St. Tammany Parish Fire Protection
District No. 13
Covington, Louisiana

We have performed the procedures enumerated below, which were agreed to by the responsible officials of the Northshore Housing Initiative, solely to assist you in evaluating the Northshore Housing Initiative's compliance with its policies and procedures with respect to grant compliance. We are required to perform each procedure and report the results, including any exceptions.

Management of Northshore Housing Initiative is responsible for its financial records, establishing internal controls over financial reporting, and compliance with applicable laws and regulations. These procedures were agreed to by management of the Bureau and the Legislative Auditor, State of Louisiana, solely to assist the users in assessing certain controls and in evaluating management's assertions about the Northshore Housing Initiative's compliance with certain laws and regulations during the period of June 1, 2016 through June 30, 2017 in accordance with Act 774 of 2014 Regular Legislative Session.

This agreed-upon procedures engagement was performed 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 performed and the associated findings are as follows:

Grant Compliance

- 1. We obtained a listing of active federal (passed-through a state or local government), state, and local government grants in effect during the fiscal year. For each grant we obtained a listing of the related disbursements made during the fiscal year. We obtained management's representations that the listings were complete.**

The Northshore Housing Initiative had two active federal (passed-through a state or local government) in effect for the year. A listing of the two active federal grants in effect for the fiscal year is as follows.

<u>Agency</u>	<u>Grant Name</u>	<u>Federal</u>	<u>Award</u>	<u>From</u>	<u>To</u>
St. Tammany Parish Government Community Housing Development Organization	St. Tammany Land Trust Program Operating Expense Agreement	HUD HUD	\$400,000 \$75,925	6/1/2016 7/1/2015	5/31/2017 6/30/2017

The St. Tammany Parish Government federal grant is a multi-year commitment to Northshore Housing Initiative. For the year ended June 30, 2017 \$60,681 was expended for operating expenses and \$29,277 for the real estate acquisition part of the grant.

Exceptions: None.

- 2. From the listing of disbursements obtained, we randomly selected six disbursements for each grant to report whether:**
 - Disbursement supporting documentation includes original itemized receipts, invoices, time sheets, etc. (depending on the nature of the grant disbursements); and**
 - Each disbursement was for an allowable use under the grant agreement and within grant timeframes.**

We selected six (6) disbursements from the following award administered during the year of our review:

- ✓ St. Tammany Parish Government – St. Tammany Parish Land Trust Program
- ✓ Community Housing Development Organization – Operating Expense Agreement

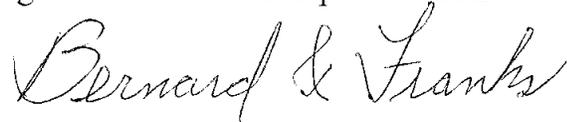
We traced the six disbursements for each award to supporting documentation. We examined the original itemized receipts, invoices and time sheets.

For the six disbursements charges to each federal award, we determine that the disbursements selected were for an allowable use under the grant agreement and was for the proper grant time period.

Exceptions: None

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Northshore Housing Initiative and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



December 15, 2017