

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

FINANCIAL STATEMENTS

Year Ended December 31, 2022

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Concerned Citizens for A Better Algiers, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Concerned Citizens for A Better Algiers, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Concerned Citizens for A Better Algiers, Inc. as of December 31, 2022, 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.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Concerned Citizens for A Better Algiers, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Concerned Citizens for A Better Algiers, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**To the Board of Directors
Concerned Citizens for A Better Algiers, Inc.**

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Concerned Citizens for A Better Algiers, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Concerned Citizens for A Better Algiers, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

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*, the schedule of compensation, benefits, and other payments to agency head, as required by the State of Louisiana, and the schedule of activities and changes in net assets are presented for purposes of additional analysis and are not a required parts of the financial

**To the Board of Directors
Concerned Citizens for A Better Algiers, Inc.**

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 July 31, 2023, 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 solely 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 the effectiveness of Concerned Citizens for A Better Algiers, Inc.'s 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.

Report on Summarized Comparative Information

We have previously audited Concerned Citizens for A Better Algiers, Inc.'s 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 27, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Metairie, Louisiana
July 31, 2023

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2022

With Summarized Financial Information on December 31, 2021

ASSETS	2022	2021
Cash and cash equivalents	\$ 663,007	\$ 550,702
Receivables, net:		
Grants	323,944	425,730
Rents	21,220	22,515
Other	5,000	5,000
	<u>350,164</u>	<u>453,245</u>
Prepaid expenses and deposits	<u>37,048</u>	<u>33,739</u>
Total current assets	<u>1,050,219</u>	<u>1,037,686</u>
Land, buildings, and equipment, net	<u>2,950,686</u>	<u>3,325,653</u>
Total Assets	<u>4,000,905</u>	<u>4,363,339</u>
LIABILITIES		
Accounts payable and accrued liabilities	37,925	45,794
Note payable	0	220,000
Other liability	<u>0</u>	<u>89,215</u>
Total Current Liabilities	37,925	355,009
Tenant security deposits	<u>30,372</u>	<u>26,248</u>
Total Liabilities	<u>68,297</u>	<u>381,257</u>
NET ASSETS		
Without donor restrictions	<u>3,932,608</u>	<u>3,982,082</u>
Total Liabilities and Net Assets	<u>\$ 4,000,905</u>	<u>\$ 4,363,339</u>

The accompanying notes are an integral part of these financial statements.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

STATEMENT OF ACTIVITIES

Year ended December 31, 2022

With Summarized Financial Information for the Year Ended December 31, 2021

REVENUES	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u> 2022	<u>Total</u> 2021
Grants	\$ 97,268	\$ 1,123,387	\$1,220,655	\$1,259,799
Gifts-in-kind: management and general	1,726	0	1,726	11,279
Program service fees - rent	427,344	0	427,344	422,329
Fundraising	15,557	0	15,557	2,759
Other	11,567	0	11,567	11,252
Gain on sale of property	122,480	0	122,480	0
Net assets released from restrictions	<u>1,123,387</u>	<u>(1,123,387)</u>	<u>0</u>	<u>0</u>
 Total Revenues	 <u>1,799,329</u>	 <u>0</u>	 <u>1,799,329</u>	 <u>1,707,418</u>
 EXPENSES				
Advertising	2,829	0	2,829	2,545
Bank charges	2,961	0	2,961	2,373
Contributions	2,541	0	2,541	1,864
Depreciation	162,523	0	162,523	162,523
Dues and memberships	5,837	0	5,837	7,138
Equipment	28,921	0	28,921	11,505
Food	42,713	0	42,713	31,478
Health insurance	43,964	0	43,964	45,802
Insurance	114,657	0	114,657	131,653
Interest	13,471	0	13,471	14,256
Meetings and travel	5,123	0	5,123	3,652
Occupancy	87,362	0	87,362	63,194
Other costs	3,657	0	3,657	520
Payroll taxes	46,670	0	46,670	41,017
Professional services	188,588	0	188,588	185,464
Rental assistance	341,089	0	341,089	327,141
Repairs and maintenance	115,753	0	115,753	142,481
Salaries	549,592	0	549,592	499,264
Supplies	50,759	0	50,759	34,653
Taxes and licenses	635	0	635	429
Telephone	35,187	0	35,187	27,156
Trash removal	1,898	0	1,898	1,868
Vehicle expenses	<u>2,073</u>	<u>0</u>	<u>2,073</u>	<u>4,114</u>
 Total Expenses	 <u>1,848,803</u>	 <u>0</u>	 <u>1,848,803</u>	 <u>1,742,090</u>
 Change in net assets	 (49,474)	 0	 (49,474)	 (34,672)
 Beginning net assets	 <u>3,982,082</u>	 <u>0</u>	 <u>3,982,082</u>	 <u>4,016,754</u>
 Ending net assets	 <u>\$3,932,608</u>	 <u>\$ 0</u>	 <u>\$3,932,608</u>	 <u>\$3,982,082</u>

The accompanying notes are an integral part of these financial statements.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.
STATEMENT OF CASH FLOWS

Year ended December 31, 2022

With Summarized Financial Information for the Year Ended December 31, 2021

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities		
Change in net assets	\$ (49,474)	\$ (34,672)
Adjustments to reconcile changes in net assets to net cash provided by (used for) operating activities:		
Depreciation	162,523	162,523
(Gain) on sale of property	(122,480)	0
Forgiveness of liabilities	(90,268)	(113,200)
Changes in assets and liabilities:		
(Increase) decrease in grants receivable	101,786	(165,763)
(Increase) decrease in rents receivable	1,295	(9,226)
Decrease in other receivables	0	16,844
(Increase) in prepaid expenses	(3,309)	(19,496)
(Decrease) in accounts payable and accrued liabilities	(7,869)	(7,871)
Increase (decrease) in tenant security deposits	<u>4,124</u>	<u>(6,147)</u>
Net cash (used for) operating activities	<u>(3,672)</u>	<u>(177,008)</u>
Cash Flows from Investing Activities		
Purchases of property	(5,200)	0
Proceeds from sale of property	<u>340,124</u>	<u>0</u>
Net Cash provided by investing activities	<u>334,924</u>	<u>0</u>
Cash Flows from Financing Activities		
Payment on line of credit	(220,000)	0
Increase in other liabilities	<u>1,053</u>	<u>89,215</u>
Net Cash provided by (used for) financing activities	<u>(218,947)</u>	<u>89,215</u>
Net increase (decrease) in cash, cash equivalents, and restricted cash	112,305	(87,793)
Cash, cash equivalents, and restricted cash:		
Beginning of year	<u>550,702</u>	<u>638,495</u>
End of year	<u>\$ 663,007</u>	<u>\$ 550,702</u>
Supplemental Disclosures of Cash Flow Information		
Cash paid during the year for:		
Interest	\$ <u>12,418</u>	\$ <u>14,256</u>
Income Taxes	\$ <u>0</u>	\$ <u>0</u>

The accompanying notes are an integral part of these financial statements.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE A - SUMMARY OF ACCOUNTING POLICIES

A summary of the Corporation's 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. (the "Corporation") 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 individuals with special needs.

2. Financial Statement Presentation

The financial statements are presented in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

3. Net Assets

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 those resources.

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.

4. Revenue Recognition and Contributed Support

Revenue for program service fees - rents and special event fundraising income is recognized when earned. Rents and special event income received in advance are deferred to the applicable period in which the related event is performed, or expenditures or events are incurred, respectively. The Corporation rents residential housing under short-term leases. Economic factors such as competition with other programs and events may impact the amount and certainty of revenues and cash flows.

Contributed support, including government grant revenue, 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 activities as "net assets released from restrictions".

Contributions of cash given for the purpose of purchasing or constructing property and equipment are reported as net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting from the reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the purchased long-lived assets are placed in service.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

The Corporation recognizes contributed services (Gifts-in-Kind) that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed services are valued and reported at estimated fair value in the financial statements based on current rates for similar services. Many individuals donate their time to perform a variety of tasks that assist the Corporation in fulfilling their program objectives. Amounts that have been reflected in the financial statements for donated professional services totaled \$1,726.

5. Receivables

The Corporation considers accounts receivable to be fully collectible since the balance consists of payments due under governmental contracts. Management has determined, based on historical experience, that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

6. Land, Buildings, and Equipment

Concerned Citizens for A Better Algiers, Inc. records property acquisitions at cost. Donated items are recorded at estimated value at the date of donation. Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, on a straight-line basis. Depreciation expense for the year ended December 31, 2022 totaled \$162,523.

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

7. Cash, Restricted Cash, and Cash Equivalents

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

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statement of financial position that sum to the same amounts shown in the statement of cash flows:

Cash and cash equivalents	\$663,007
Restricted cash for long-term purposes	<u>0</u>
Total cash, cash equivalents, and restricted cash	<u>\$663,007</u>

8. 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 these estimates.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

9. Fair Values of Financial Instruments

Generally accepted accounting principles provide a framework for measuring fair value. That framework establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). On December 31, 2022, the Corporation had no investments.

10. Functional Allocation of Expenses

The expenses of providing the program and other activities have been summarized on a functional basis in Note H. Certain of those expenses have been allocated among the program and supporting services benefited based on estimates by management of the costs involved. The expenses that are allocated include occupancy, salaries, health insurance, payroll taxes, professional services, and insurance which are allocated on the basis of estimates of time and effort.

11. Investment Return, net

If present, investment return is reported net of external and direct internal investment expenses.

12. Summarized Comparative Information

The financial statements include certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Corporation's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

NOTE B - GRANTS RECEIVABLE

Grants receivable at December 31, 2022 consists of amounts due from the City of New Orleans for the following programs:

Housing Opportunities for Persons with Aids (HOPWA)	\$164,226
Ryan W. White Part A (Ryan White)	<u>159,718</u>
	<u>\$323,944</u>

NOTE C - LAND, BUILDINGS, AND EQUIPMENT

Land, buildings, and equipment on December 31, 2022 consist of the following:

Buildings	\$4,829,556
Transportation equipment	27,798
Equipment	<u>4,065</u>
	4,861,419
Less: accumulated depreciation	<u>2,296,258</u>
	2,565,161
Construction-in-progress	<u>143,938</u>
	2,709,099
Land	<u>241,587</u>
	<u>\$2,950,686</u>

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

Land and buildings include certain major items acquired with grants from governmental agencies. These properties are subject to HOME Affordable Rental Housing Program (HOME) regulatory agreements for periods ranging from 15 to 20 years. The net book value of the properties subject to HOME regulatory agreements at December 31, 2022 was \$2,035,303.

NOTE D – NOTE PAYABLE

The Corporation has a \$750,000 revolving line of credit loan, of which all was unused at December 31, 2022. Bank advances on the credit line are payable on demand and carry an interest rate of 1.5% over prime (7.75% at December 31, 2022). The credit line matures November 1, 2023 and is secured by land and buildings.

The interest expense for the year ended December 31, 2022 was \$13,471.

NOTE E -CONDITIONAL CONTRIBUTION-PAYCHECK PROTECTION PROGRAM

During 2021, the Corporation applied for and received \$89,215 from the Small Business Administration (SBA)'s Paycheck Protection Program (PPP), which is included in "Other Liabilities" in the Statement of Financial Position. The transfer of assets was deemed to be a conditional contribution. Upon receipt of the funds, the Corporation adopted a policy to recognize contribution income when the SBA approves its loan forgiveness application.

During the year ended December 31, 2022, the Corporation applied for and received forgiveness of the \$89,215 loan from the Small Business Administration (SBA)'s Paycheck Protection Program (PPP). The loan and the related accrued interest was forgiven and is recognized as income. \$90,268 is included in "Grants" in the accompanying Statement of Activities.

NOTE F -NET ASSETS WITH DONOR RESTRICTIONS

The following net assets with donor-restrictions were released from restrictions during the year:

Individuals with special needs	<u>\$1,123,387</u>
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NOTE G - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Corporation's liquidity management policy is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The financial assets available within one year of the Statement of Financial Position date are as follows:

Financial Assets	\$1,013,171
Less: Amounts unavailable for general expenditures within one year	<u>0</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$1,013,171</u>

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE H - FUNCTIONAL EXPENSES

Functional expenses for the year ended December 31, 2022 are as follows:

	Program Expenses			Supportive Services			Total
	Individuals with Special Needs	Rental Program for the Homeless	Subtotal	Management and General	Fund-raising	Subtotal	
Advertising	\$ 0	\$ 0	\$ 0	\$ 2,515	\$ 314	\$ 2,829	\$ 2,829
Bank charges	0	0	0	2,961	0	2,961	2,961
Contributions	0	0	0	1,291	1,250	2,541	2,541
Depreciation	0	162,523	162,523	0	0	0	162,523
Dues and memberships	0	5,023	5,023	814	0	814	5,837
Equipment	6,276	2,392	8,668	20,051	202	20,253	28,921
Food	29,234	0	29,234	7,865	5,614	13,479	42,713
Health insurance	41,021	2,943	43,964	0	0	0	43,964
In-kind professional services	0	0	0	1,726	0	1,726	1,726
Insurance	56,644	39,406	96,050	18,607	0	18,607	114,657
Interest	0	0	0	13,471	0	13,471	13,471
Meetings and travel	88	0	88	5,035	0	5,035	5,123
Occupancy	20,734	41,311	62,045	25,317	0	25,317	87,362
Other costs	573	52	625	1,896	1,136	3,032	3,657
Payroll taxes	31,888	13,049	44,937	1,733	0	1,733	46,670
Professional services	165,160	5,973	171,133	14,679	1,050	15,729	186,862
Rental assistance	305,889	501	306,390	34,149	550	34,699	341,089
Repairs and maintenance	6,186	66,735	72,921	42,300	532	42,832	115,753
Salaries	381,973	153,368	535,341	14,251	0	14,251	549,592
Supplies	5,489	16,345	21,834	24,961	3,964	28,925	50,759
Taxes and licenses	0	0	0	635	0	635	635
Telephone	9,192	0	9,192	25,995	0	25,995	35,187
Trash removal	0	0	0	1,898	0	1,898	1,898
Vehicle expenses	123	0	123	1,950	0	1,950	2,073
Total	\$1,060,470	\$509,621	\$1,570,091	\$264,100	\$14,612	\$278,712	\$1,848,803

NOTE I - INCOME TAXES

The Corporation is exempt from income tax under Section 501 (c)(3) of the U.S. Internal Revenue Code and comparable state law, and contributions to it are tax deductible within the limitations prescribed by the Code.

The Corporation may recognize the tax benefit from a tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The Corporation does not believe its financial statements include any uncertain tax positions.

NOTE J - BOARD OF DIRECTORS' COMPENSATION

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

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE K - CONCENTRATION OF CREDIT RISK

As of December 31, 2022, the Corporation's cash balance consists of the following:

Cash balance, per bank statements	\$660,636
Less FDIC insurance	<u>313,921</u>
Uninsured balance	<u>\$346,715</u>

NOTE L - 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 made at the federal level, the amount of the funds the organization receives could be reduced significantly and have an adverse impact on its operations.

The Corporation is supported primarily through grants from governmental agencies. Approximately 62% of the Corporation's support for the year ended December 31, 2022 came from these grants. Approximately 8% of the Corporation's assets at December 31, 2022 are receivable balances related to these grants.

NOTE M - ADOPTION OF NEW ACCOUNTING PRONOUNCEMENT

During the year, the Corporation adopted a new accounting pronouncement: Accounting Standards Update No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* (Topic 958)("ASU 2020-07").

ASU 2020-07 requires organizations to present contributed nonfinancial assets in a separate line item in the statement of activities, apart from contributions of cash and other financial assets. Additionally, organizations are required to disaggregate the contributed nonfinancial assets recognized within the statement of activities by category that depicts the type of contributed nonfinancial assets.

Management has analyzed the provisions of ASU 2020-07 and has concluded that a separate line for gifts-in-kind is needed. Additionally, certain amounts in the summarized prior-year information have been reclassified to conform with the current year presentation. Such reclassifications had no effect on the previously reported change in net assets for the year ended December 31, 2021.

NOTE N - SUBSEQUENT EVENTS

The subsequent events of the Corporation have been evaluated through July 31, 2023, which is the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS

Year ended December 31, 2022

	PROGRAM SERVICES						TOTAL
	SUPPORTIVE SERVICES	HOPWA	RYAN WHITE	OTHER	SUBTOTAL	RENTAL PROGRAM FOR THE HOMELESS	
REVENUES							
Grants	\$ 90,268	\$777,329	\$346,058	\$7,000	\$1,130,387	\$ 0	\$1,220,655
Other	28,850	0	0	0	0	549,824	578,674
Total	119,118	777,329	346,058	7,000	1,130,387	549,824	\$1,799,329
EXPENSES							
Advertising	2,829	0	0	0	0	0	2,829
Bank charges	2,961	0	0	0	0	0	2,961
Contributions	2,541	0	0	0	0	0	2,541
Depreciation	0	0	0	0	0	162,523	162,523
Dues and memberships	814	0	0	0	0	5,023	5,837
Equipment	20,253	0	4,550	1,726	6,276	2,392	28,921
Food	13,479	20,684	8,550	0	29,234	0	42,713
Health insurance	0	39,025	1,996	0	41,021	2,943	43,964
In-kind professional services	1,726	0	0	0	0	0	1,726
Insurance	18,607	56,644	0	0	56,644	39,406	114,657
Interest	13,471	0	0	0	0	0	13,471
Meetings and travel	5,035	0	0	88	88	0	5,123
Occupancy	25,317	11,629	9,105	0	20,734	41,311	87,362
Other costs	3,032	0	542	31	573	52	3,657
Payroll taxes	1,733	25,044	6,407	437	31,888	13,049	46,670
Professional services	15,729	34,600	130,560	0	165,160	5,973	186,862
Rental assistance	34,699	261,844	44,045	0	305,889	501	341,089
Repairs and maintenance	42,832	5,704	482	0	6,186	66,735	115,753
Salaries	14,251	300,085	77,909	3,979	381,973	153,368	549,592
Supplies	28,925	4,019	1,219	251	5,489	16,345	50,759
Taxes and licenses	635	0	0	0	0	0	635
Telephone	25,995	9,192	0	0	9,192	0	35,187
Trash removal	1,898	0	0	0	0	0	1,898
Vehicle expenses	1,950	22	0	101	123	0	2,073
Total	278,712	768,492	285,365	6,613	1,060,470	509,621	1,848,803
Change in net assets	\$(159,594)	\$ 8,837	\$ 60,693	\$ 387	\$ 69,917	\$40,203	\$ (49,474)

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year December 31, 2022

FEDERAL GRANTOR/PASS-THROUGH GRANTOR PROGRAM	PASS THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL ASSISTANCE NUMBER	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Funds passed through City of New Orleans	K22-213; DUNS#88-497- 3694; LAH20F001		
Housing Opportunities for Persons with Aids		14.241	\$ <u>777,329</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>777,329</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Funds passed through City of New Orleans	BRASS #3517 K22-626		
HRSA: Ending the HIV Epidemic		93.686	<u>60,000</u>
Funds passed through City of New Orleans	NOHD22: K22-400 BRASS #3665 and K21-788 BRASS PO. 27857		
HIV Emergency Relief Project Grants		93.914	<u>286,058</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>346,058</u>
Total expenditures of federal awards			<u>\$1,123,387</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year December 31, 2022

A. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Concerned Citizens for A Better Algiers, Inc. under programs of the federal government for the year ended December 31, 2022. The information in this schedule is presented in accordance with the 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”). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.

B. Summary of Significant Accounting Policies

The schedule of expenditures of federal awards is 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.

C. Indirect Cost Rate

Concerned Citizens for A Better Algiers, Inc. did not elect the 10% de minimis indirect cost rate.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD**

For the year ended December 31, 2022

Agency Head Name: Shantrice N. Dial
Position: Executive Director

	<u>Purpose</u>	<u>Amount</u>
Compensation		\$ 86,566
Hospitalization		9,628
Reimbursements - various program costs		280
Total		<u>\$ 96,474</u>

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(Retired)

RENE G. GAUTREAU, C.P.A.
(1958-2019)

**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, 2022 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 July 31, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements we considered the Concerned Citizens for A Better Algiers, Inc.'s internal control over financial reporting ("internal control") as a basis for designing 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 Concerned Citizens for A Better Algiers, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Concerned Citizens for A Better Algiers, Inc.'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 the 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Concerned Citizens for A Better Algiers, Inc.'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 financial statements. 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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2022-001.

To the Board of Directors
Concerned Citizens for A Better Algiers, Inc.

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 any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Metairie, Louisiana
July 31, 2023

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**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

Opinion on Each Major Federal Program

We have audited Concerned Citizens for A Better Algiers, Inc.'s compliance with the types of compliance requirements identified as subject to audit 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, 2022. 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.

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, 2022.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Concerned Citizens for A Better Algiers, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Concerned Citizens for A Better Algiers, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Concerned Citizens for A Better Algiers, Inc.'s federal programs.

**To the Board of Directors
Concerned Citizens for A Better Algiers, Inc.**

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Concerned Citizens for A Better Algiers, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Concerned Citizens for A Better Algiers, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Concerned Citizens for A Better Algiers, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Concerned Citizens for A Better Algiers, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Concerned Citizens for A Better Algiers, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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.

**To the Board of Directors
Concerned Citizens for A Better Algiers, Inc.**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Paciera, Gautreau & Priest, LLC

Metairie, Louisiana
July 31, 2023

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended December 31, 2022

A. Summary of The Audit Results

Financial Statements

1. Type of auditor's report issued Unmodified
2. Internal control over financial reporting:
- Material weakness identified? Yes No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes None noted
3. Noncompliance material to financial statements noted? Yes No

Federal Awards

4. Type of auditor's report issued on compliance for major programs Unmodified
5. Internal control over major programs:
- Material weakness identified? Yes No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes None noted
6. Any audit findings disclosed that are required to be reported by Title 2 U.S. Code of Federal Regulations Part 200. Yes No
7. Identification of major programs:
Federal Assistance Number 14.241
Housing Opportunities for People with Aids
8. Dollar threshold used to distinguish between type A and B programs: \$750,000
9. Auditee qualified as low-risk auditee? Yes No
- B. Findings Related to the Financial Statements Reported in Accordance with *Government Auditing Standards* required to be reported? Yes No
- C. Findings and Questioned Costs for Federal Awards Under the Uniform Guidance required to be reported? Yes No
- D. Status of Prior Year Audit Findings? There were no prior year audit findings

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the year ended December 31, 2022

One instance of noncompliance is reported in the auditor's report on internal control over financial reporting and on compliance. This finding is included in this schedule as Finding 2022-001.

FINDING 2022-001 – Non-emergency extension:

Condition: A non-emergency extension was obtained; however, Concerned Citizens for a Better Algiers failed to submit the annual financial report by the statutory due date.

Criteria: In accordance with the Louisiana Governmental Audit Guide, if a non-emergency extension request is approved for a report, that report is required to include a finding regarding the local auditee's noncompliance with the audit law by failing to submit its annual financial report to the LLA by the statutory due date.

Cause: The audit was not completed in time to submit the annual financial report to the LLA by the statutory due date.

Effect: The annual financial report was not submitted to the LLA by the statutory due date.

Questioned Costs: There were no questioned costs related to this finding.

Perspective Information: This was the first year Concerned Citizens for a Better Algiers was required to submit their audit to the LLA. They have no previous findings.

Identification of repeat findings: This was not a repeat finding.

Recommendation: Procedures should be implemented to have the audit completed more timely and to submit the annual financial report to the LLA by the statutory due date.

Views of Management and Planned Corrective Actions: Concerned Citizens for a Better Algiers agrees with the finding and the recommended procedures have been implemented.