

**THE WALLS PROJECT**  
**BATON ROUGE, LOUISIANA**  
**JUNE 30, 2021**



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**L.A. CHAMPAGNE & CO.**  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

The Board of Directors of  
The Walls Project

We have reviewed the accompanying financial statements of The Walls Project (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2021, and the related statement of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of 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, and the standards applicable to review engagements contained in *Governmental Auditing Standards*, issued by the United States Comptroller. 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.

**Supplementary Information**

The accompanying schedule of compensation, benefits, and other payments to the agency head is presented for purposes of additional analysis and is not a required part of the basic 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 supplementary

information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

**Report on Agreed-Upon Procedures**

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated November 23, 2021, on the results of our agreed-upon procedures.

*LA Champagne & Co, LLP*

*Baton Rouge, Louisiana*

*November 5, 2021*

**THE WALLS PROJECT**  
**STATEMENT OF FINANCIAL POSITION**

*For the year ended June 30, 2021*  
*(See Independent Accountant's Review Report)*

**ASSETS**

**CURRENT ASSETS**

|                             |    |                |
|-----------------------------|----|----------------|
| Cash and cash equivalents   | \$ | 200,573        |
| Pledges receivable, net     |    | 186,166        |
| Prepaid expenses            |    | <u>18,010</u>  |
| <b>Total current assets</b> |    | <u>404,749</u> |

**PROPERTY AND EQUIPMENT**

|  |  |                |
|--|--|----------------|
| Furniture and office equipment           |  | 23,134         |
| Less accumulated depreciation            |  | <u>(6,652)</u> |
| <b>Total property and equipment, net</b> |  | <u>16,482</u>  |

**Total assets** \$ 421,231

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

|                                  |    |              |
|----------------------------------|----|--------------|
| Accounts payable                 | \$ | 202,238      |
| Deferred revenue                 |    | 5,000        |
| Accrued interest                 |    | <u>3,838</u> |
| <b>Total current liabilities</b> |    | 211,076      |

**NON-CURRENT LIABILITIES**

|                          |  |                |
|--------------------------|--|----------------|
| Long term debt           |  | <u>150,000</u> |
| <b>Total liabilities</b> |  | <u>361,076</u> |

**NET ASSETS**

|                            |  |                  |
|----------------------------|--|------------------|
| With donor restrictions    |  | 209,894          |
| Without donor restrictions |  | <u>(149,739)</u> |
| <b>Total net assets</b>    |  | <u>60,155</u>    |

**Total liabilities and net assets** \$ 421,231

*See accompanying notes*

**THE WALLS PROJECT**  
**STATEMENT OF ACTIVITIES**  
*For the year ended June 30, 2021*  
*(See Independent Accountant's Review Report)*

|                                       | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total      |
|---------------------------------------|-------------------------------|----------------------------|------------|
| <b>SUPPORT AND REVENUE</b>            |                               |                            |            |
| Public support                        | \$ 128,020                    | \$ 797,035                 | \$ 925,055 |
| Inkind revenue                        | 1,384                         | -                          | 1,384      |
| Program service revenue               | 989                           | -                          | 989        |
| Net assets released from restrictions | 796,130                       | (796,130)                  | -          |
| <b>Total support and revenue</b>      | 926,523                       | 905                        | 927,428    |
| <b>EXPENSES</b>                       |                               |                            |            |
| Program                               | 806,141                       | -                          | 806,141    |
| Administration and general            | 103,662                       | -                          | 103,662    |
| Fundraising                           | 11,515                        | -                          | 11,515     |
| <b>Total expenses</b>                 | 921,318                       | -                          | 921,318    |
| <b>Increase in net assets</b>         | 5,205                         | 905                        | 6,110      |
| <b>Net assets - beginning of year</b> | (154,944)                     | 208,989                    | 54,045     |
| <b>Net assets - end of year</b>       | \$ (149,739)                  | \$ 209,894                 | \$ 60,155  |

See accompanying notes

**THE WALLS PROJECT**  
**STATEMENT OF CASH FLOWS**  
*For the year ended June 30, 2021*  
*(See Independent Accountant's Review Report)*

|   |                          |
|---|--------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                          |
| Changes in net assets   | \$ 6,110                 |
| Adjustments to reconcile change in net assets to net cash used in operating activities: |                          |
| Depreciation  | 2,215                    |
| Decrease (increase) in  |                          |
| Pledges receivable  | (66,345)                 |
| Other receivables   | 10,325                   |
| Prepaid expenses  | (18,010)                 |
| Increase (decrease) in  |                          |
| Accounts payable  | 2,476                    |
| Accrued interest  | 3,838                    |
| Total adjustments   | <u>(65,501)</u>          |
| Net cash used in operating activities   | <u>(59,391)</u>          |
| <br><b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |                          |
| Purchase of fixed assets  | <u>(11,786)</u>          |
| Net cash used in investing activities   | (11,786)                 |
| <br><b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |                          |
| Loan proceeds   | <u>150,000</u>           |
| Net cash provided by financing activities   | 150,000                  |
| <br><b>Increase in Cash</b>   | <br>78,823               |
| <b>Cash - Beginning of year</b>   | <u>121,750</u>           |
| <b>Cash - End of year</b>   | <u><u>\$ 200,573</u></u> |

*See accompanying notes*

**THE WALLS PROJECT**  
**STATEMENT OF FUNCTIONAL EXPENSES**

*For the year ended June 30, 2021*  
*(See Independent Accountant's Review Report)*

|                          | Program Services |                   |                  | Total<br>Program  | Administration<br>and<br>Fundraising |                  | Total             |
|--------------------------|------------------|-------------------|------------------|-------------------|--------------------------------------|------------------|-------------------|
|                          | Create           | Cultivate         | Reactivate       |                   | General                              | Fundraising      |                   |
| Contract services        | \$ 12,718        | \$ 201,609        | \$ 11,600        | \$ 225,927        | \$ 66,014                            | \$ 9,400         | \$ 301,341        |
| Program management       | 3,000            | 292,022           | 500              | 295,522           | -                                    | -                | 295,522           |
| Facilities and equipment | 360              | 179,041           | -                | 179,401           | 11,151                               | -                | 190,552           |
| Curriculum development   | -                | 39,043            | -                | 39,043            | 1,400                                | -                | 40,443            |
| Murals                   | 11,926           | 12,759            | -                | 24,685            | -                                    | -                | 24,685            |
| Insurance                | -                | 10,564            | -                | 10,564            | 1,700                                | -                | 12,264            |
| Donations                | -                | 11,463            | -                | 11,463            | 98                                   | -                | 11,561            |
| Bad debt                 | -                | -                 | -                | -                 | 5,500                                | -                | 5,500             |
| Travel and auto expenses | 200              | 4,412             | -                | 4,612             | 140                                  | 31               | 4,783             |
| Office                   | -                | 1,637             | -                | 1,637             | 2,732                                | -                | 4,369             |
| Meals and entertainment  | 18               | 2,066             | -                | 2,084             | 1,918                                | 61               | 4,063             |
| Dues and subscriptions   | -                | 433               | -                | 433               | 2,495                                | 1,075            | 4,003             |
| Interest expense         | -                | -                 | -                | -                 | 3,838                                | -                | 3,838             |
| Gifts                    | -                | 2,794             | -                | 2,794             | -                                    | 784              | 3,578             |
| Postage and printing     | -                | 353               | -                | 353               | 2,534                                | -                | 2,887             |
| Software and licenses    | -                | 1,937             | -                | 1,937             | 739                                  | -                | 2,676             |
| Depreciation             | -                | 2,215             | -                | 2,215             | -                                    | -                | 2,215             |
| Telephone                | -                | 163               | -                | 163               | 2,190                                | -                | 2,353             |
| Web development          | -                | 1,225             | -                | 1,225             | 15                                   | -                | 1,240             |
| Merchandise              | -                | 516               | -                | 516               | 613                                  | -                | 1,129             |
| Bank charges             | -                | 403               | -                | 403               | 585                                  | 164              | 1,152             |
| Videography              | -                | 800               | -                | 800               | -                                    | -                | 800               |
| Background checks        | -                | 348               | -                | 348               | -                                    | -                | 348               |
| Repairs and maintenance  | -                | 16                | -                | 16                | -                                    | -                | 16                |
|                          | <u>\$ 28,222</u> | <u>\$ 765,819</u> | <u>\$ 12,100</u> | <u>\$ 806,141</u> | <u>\$ 103,662</u>                    | <u>\$ 11,515</u> | <u>\$ 921,318</u> |

*See accompanying notes*



# THE WALLS PROJECT

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Nature of activities*

The Walls Project (the Organization) is a non-profit corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization was incorporated in 2012 with the purpose of enhancing the artistic and aesthetic beauty of the large wall spaces of the City of Baton Rouge and East Baton Rouge Parish. The Organization advances and fosters public awareness, creativity, collaboration, community growth, and unity through the following program activities:

1. Create – Create is the Arts Program of the Organization. This work ranges from producing ten-story murals on high rise buildings, creating interactive healing-arts sculptures at hospitals, and recycling yard signs into mini-mural canvasses for children.
2. Cultivate – Cultivate programs offer young adults different routes to learn direct and indirect skills to become college and career-ready. The programs center around creative hustle and contributions towards community betterment.
3. Reactivate- Reactive strives to address blight in the Baton Rouge community through volunteer services. The Organization hosts an annual MLK Fest and several city clean-up projects throughout the year to further this goal.

#### *Basis of accounting*

The Organization prepares its financial statements on the accrual basis of accounting. Under this method of accounting, revenue is recognized when earned or billed, and expenses are recognized when goods or services are received and the obligation for payment is incurred.

#### *Basis of presentation*

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC). The Organization reports information regarding its financial position and activities according to the two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

**A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets with donor restrictions to net assets without donor restrictions.

*Support and revenue*

Contributions received, government support, and unconditional promises to give are measured at their fair values and are reported as an increase in net assets.

Program income consists of fees for student photography services as part of the Organization's Cultivate program.

*Donated services*

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) required specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. These services are recorded based on the fair value of the services provided and reported as Inkind revenue on the Statement of Activities. Volunteer services are not recognized in the financial statements when the recognition criteria are not met.

*Use of estimates*

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

*Cash*

For the purposes of the statement of cash flows, the Organization considers all unrestricted highly liquid investments with a maturity of three months or less when acquired to be cash.

*Allowance for uncollectible accounts*

An allowance for uncollectible accounts is established based on prior experience and management's assessment of collectability. Management maintains an allowance of \$5,500 as of June 30, 2021.

*Prepaid expenses*

Insurance and similar services which extend benefits over more than one accounting period as well as expenses incurred for future events have been recorded as prepaid.

**A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Property and equipment*

Property and equipment are stated at cost less accumulated depreciation. Depreciation is calculated on the straight-line basis over the estimated useful life of the assets of 7 years. Costs of major additions and improvements are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

When property is retired or otherwise disposed of, the accounts are relieved of the applicable cost and accumulated depreciation, and any resulting gain or loss is reflected in operations.

*Income tax status*

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

The Organization accounts for income taxes in accordance with the income tax accounting guidance included in the FASB ASC. Under this guidance, the Organization may recognize the tax effects from an uncertain tax position only if it is more likely than not that the tax position will be sustained upon examination by tax authorities. The Organization has evaluated its position regarding the accounting for uncertain tax positions and does not believe that it has any material uncertain tax positions.

*Functional allocation of expenses*

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs are charged specifically to a program or function and the remaining costs are allocated among programs, management, and fundraising. Contract service allocations are determined by management on an equitable basis based on time and effort.

*Change in Accounting Principles*

In May 2014, the FASB issued ASU No. 2014-09, (Topic 606) Revenue from Contracts with Customers. This ASU is a comprehensive new revenue recognition model that requires an organization to recognize revenue to depict the transfer of goods or services to a customer at an amount that reflects the consideration it expects to receive in exchange for those goods and services. Additional disclosure is required to enable users of financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. This standard was adopted by the Organization effective July 1, 2020 using the full retrospective method. The adoption of this standard did not have a material impact on the Organization's financial statements.

**B: PLEDGES RECEIVABLE**

The pledges receivable balance as of June 30, 2021, consists of the following:

|                                      |    |                       |
|--------------------------------------|----|-----------------------|
| Individual donors                    | \$ | 337                   |
| Corporate donors                     |    | 17,500                |
| Foundation grants                    |    | 63,000                |
| Government grants                    |    | 111,329               |
|                                      | \$ | <u>192,166</u>        |
| Less allowance for doubtful accounts |    | (5,500)               |
|                                      | \$ | <u><u>186,666</u></u> |

All receivables are due within one year of June 30, 2021.

**C: NON-CASH INVESTING AND FINANCING ACTIVITIES**

There were no non-cash investing and financing activities for the year ended June 30, 2021.

**D: LIQUIDITY**

The Organization has no financial assets available within one year of the balance sheet date to meet cash needs for general expenditures. However, the Organization has financial flexibility as a result of its relationship with the Force Agency, as described in more detail in Note H. As needed, the Force Agency defers collecting its contract fee to ensure financial resources are available to pay general expenditures.

**E: LONG TERM DEBT**

On July 26, 2020, the Organization obtained a \$150,000 Economic Injury Disaster Loan (EIDL) from the Small Business Administration related to the COVID-19 pandemic. The loan bears interest at 2.75% and is payable in 360 monthly installments of \$641, starting July, 2021. The loan is secured by the Organization's receivables and equipment. Principal payments on the EIDL loan are due as follows:

|                      |    |                       |
|----------------------|----|-----------------------|
| 2022                 | \$ | -                     |
| 2023                 |    | 3,386                 |
| 2024                 |    | 3,707                 |
| 2025                 |    | 3,810                 |
| 2026                 |    | 3,916                 |
| 2027 and later years |    | 135,181               |
|                      | \$ | <u><u>150,000</u></u> |

**F: LEASE COMMITMENTS**

The Organization leases office space under an agreement that is classified as an operating lease. This lease provides for monthly rent of \$1,200 and expires July 31, 2021, with automatic yearly renewals. The lease can be terminated by either party with written notice at least 30 days prior to the automatic renewal date. The lease was automatically renewed through July 31, 2022.

Lease expense under this agreement was \$14,400 for the year ended June 30. The future minimum lease payments required under the operating leases are \$15,600 as of June 30, 2021.

**G: NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions as of June 30, 2021, are restricted for the Cultivate program.

**H: RELATED PARTY TRANSACTIONS**

The Organization shares office space with The Force Agency, which is owned by the executive director of the Organization. The Force Agency bills the Organization for project management fees and out of pocket expense reimbursements.

Amounts billed by The Force Agency for the year ended June 30, 2021 were as follows:

| Statement of Activities Line Item | Program Services |           |          | Total  |
|-----------------------------------|------------------|-----------|----------|--------|
|                                   | Create           | Cultivate | Reactive |        |
| Contract services                 | 14,950           | 73,288    | 9,350    | 97,588 |
| Meals and entertainment           | 200              | 42        | -        | 242    |
|                                   | 15,150           | 73,330    | 9,350    | 97,830 |

As of June 30, 2021, the Organization owed The Force Agency \$121,843, which was classified as Accounts payable.

**I: SUBSEQUENT EVENTS**

Subsequent events were evaluated through November 5, 2021, which is the date the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**

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

*For the year ended June 30, 2021  
(See Independent Accountant's Review Report)*

**Agency Head**

Casey Phillips, Director and Development

| <b>Purpose</b>                 | <b>Amount</b> |
|--------------------------------|---------------|
| Salary                         | \$28,800      |
| Benefits - insurance           | \$0           |
| Benefits - retirement          | \$0           |
| Benefits - other               | \$0           |
| Car allowance                  | \$0           |
| Vehicle provided by government | \$0           |
| Per diem                       | \$0           |
| Reimbursements                 | \$0           |
| Travel                         | \$0           |
| Registration Fees              | \$0           |
| Conference travel              | \$0           |
| Housing                        | \$0           |
| Unvouchered expenses           | \$0           |
| Special meals                  | \$0           |
| Other                          | \$0           |

*See accompanying notes*

**LOUISIANA COMPLIANCE QUESTIONNAIRE**  
**(For Audit Engagements of Quasi-Public Agencies)**

September 7, 2021 (Date Transmitted)

LA Champagne & Co, LLP (CPA Firm Name)

4911 Bennington Ave (CPA Firm Address)

Baton Rouge, LA 70808 (City, State Zip)

In connection with your review of our financial statements as of June 30, 2021 and for year then ended (period of audit) for the purpose of expressing an opinion as to the fair presentation of our financial statements in accordance with accounting principles generally accepted in the United States of America, to assess our internal control structure as a part of your audit, and to review our compliance with applicable laws and regulations, we confirm, to the best of our knowledge and belief, the following representations. These representations are based on the information available to us as of \_\_\_\_\_ (date completed/date of the representations).

**PART I. Agency Profile**

1. Name and address of the organization.

**The Walls Project**

**458 America Street**

**Baton Rouge, Louisiana 70802**

2. List names, addresses, and telephone numbers of entity officials. Include elected/appointed members of the governing board, chief executive and fiscal officer, and legal counsel.

**Casey Phillips, Executive Director**

**Rex Cabaniss, Board Chair**

**Padma Vatsavai, Vice President**

**Monica Vela-Vick, Secretary**

**Thomas Donley, Treasurer**

**Tracey Rizzuto, Board Member**

**William Assaf, Board Member**

**Tracy Smith, Board Member**

**Ernesto Johnson, Board Member**

3. Period of time covered by this questionnaire.

**July 1, 2020, through June 30, 2021**

4. The entity has been organized under the following provisions of the Louisiana Revised Statute(s) (R.S.) and, if applicable, local resolutions/ordinances.



5. Briefly describe the public services provided.

**Workplace development and urban farming through the organization's Futures Fund and Baton Roots programs.**

6. Expiration date of current elected/appointed officials' terms.

N/A

**Part II. Federal, State, and Local Awards**

7. We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes  No  N/A

8. All transactions relating to federal grants have been properly recorded within our accounting records and reported to the appropriate federal grantor officials.

Yes  No  N/A

9. All transactions relating to state grants have been properly recorded within our accounting records and reported to the state grantor officials.

Yes  No  N/A

10. All transactions relating to local grants have been properly recorded within our accounting records and reported to the appropriate local grantor officials.

Yes  No  N/A

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

Yes  No  N/A

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

Yes  No  N/A

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

Yes  No  N/A

14. We have complied with all applicable compliance requirements of all federal programs we administer,

Yes  No  N/A

15. We have complied with all applicable specific requirements of all state programs we administer, to include matters contained in the grant awards.

Yes  No  N/A

16. We have complied with all applicable specific requirements of all local programs we administer, to include matters contained in the grant awards.

Yes  No  N/A

17. We have provided you with all communications from grantors concerning noncompliance with or deficiencies in administering grant programs.

Yes  No  N/A

**Part III. Public Records**

18. We are familiar with the Public Records Act and have made available to the public those records as required by R.S. 44:33.

Yes  No  N/A

**Part IV. Open Meetings**

19. Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "[Open Meeting FAQs](#)," available on the Legislative Auditor's website to determine whether a non-profit agency is subject to the open meetings law.**

Yes  No  N/A

**Part V. Budget**

20. For each federal grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes  No  N/A

21. For each grant received from the state, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose, duration, specific goals and objectives, and measures of performance.

Yes  No  N/A

22. For each local grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes  No  N/A

**Part VI. Reporting**

23. We have had our financial statements audited in a timely manner in accordance with R.S. 24:513.  
Yes [ ] No [ ] N/A [ X ]

24. We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes [ ] No [ ] N/A [ X ]

25. We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [ ] No [ ] N/A [ X ]

26. We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes [ ] No [ ] N/A [ X ]

The previous responses have been made to the best of our belief and knowledge. We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur subsequent to the issuance of your report.

Kari H. Wells Secretary 9/7/21 Date

[Signature] Treasurer Sept 1, 2021 Date

[Signature] (REX CARANISS) President 9.1.21 Date



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

The Board of Directors of  
The Walls Project

We have performed the procedures enumerated below, which were agreed to by the management of The Walls Project and the Legislative Auditor (the specified parties), on the Organization's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended June 30, 2021, as required by Louisiana Revised Statute 24:513 and *the Louisiana Governmental Audit Guide*. The Management of The Walls Project is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified users of the 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 findings are as follows:

**Federal, State, and Local Awards**

1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Agency's management.

*The Organization provided us with the following list of expenditures for federal, state, and local government grant awards for the year ended June 30, 2021:*

| Federal, State, or Local Grant Name   | Grant Year | CFDA No. (if applicable) | Amount     |
|---|------------|--------------------------|------------|
| City of Baton Rouge, Parish of East Baton Rouge, CARES Act, Futures Fund Coding Boot Camp: Dislocated Adults & Veterans Public Service Grant # B-20-MW-22-002 | 2020       | 14.218                   | \$ 120,000 |
| Delta Regional Authority, Project LA-54257  | 2021       | 90.201                   | \$ 43,665  |

2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements are selected.
3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.

*Each of the selected disbursements agreed to the amount and payee in the supporting documentation.*

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

*Each of the selected disbursements were coded to the correct fund and general ledger account.*

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

*Each of the selected disbursements were approved by the Executive Director, which is in accordance with their policies and procedures.*

6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

*Each of the selected disbursements met the requirements of the related grant agreement.*

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

*No program selected in Procedure 2 was closed out in the current fiscal year.*

### **Open Meetings**

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there were any exceptions. Note: Please refer to the Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://appl.la.state.la.us/llala.nsf>, to determine whether a non-profit agency is subject to the open meetings law.

*The Organization is not required to comply with LA R.S. 42:11 through 42:28 (the open meetings law) because the Organization is not a public body.*

## **Budget**

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the Organization provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state or local grants included the purpose and duration of the grants; and whether the budgets for state grants also included specific goals, objectives, and measures of performance.

*The Organization provided a comprehensive budget to each applicable agency for the programs mentioned previously. These budgets specified the anticipated uses of the funds and estimate of the duration of the project.*

## **State Audit Law**

10. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

*The Organization's report was submitted to the Legislative Auditor before the statutory due date.*

11. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

*The Organization's management represented that the Organization did not enter into any contracts during the fiscal year that were subject to the public bid law.*

## **Prior Comments**

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

*There were no prior year suggestions, exceptions, recommendations or commented from the prior year, as represented in the current year management representation letter.*

This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. 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 the Organization's compliance with the foregoing matters. 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 the Organization's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the 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.

*LA Champagne & Co, LLP*

Baton Rouge, Louisiana  
November 23, 2021