

**CENLA COMMUNITY ACTION COMMITTEE, INC.**

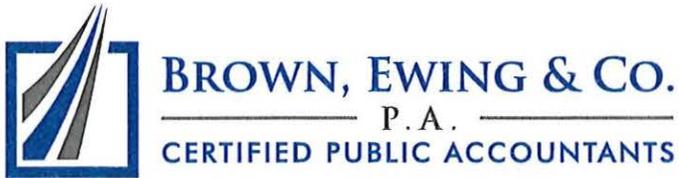
**AUDITED FINANCIAL STATEMENTS**

**MARCH 31, 2019**

CENLA COMMUNITY ACTION COMMITTEE, INC.

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
CENLA Community Action Committee, Inc.  
Alexandria, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of CENLA Community Action Committee, Inc. (a nonprofit organization), which comprise the statement of financial position as of March 31, 2019, and the related statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CENLA Community Action Committee, Inc., as of March 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other-Matters**

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 19 - 23 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of *Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 6, 2019, on our consideration of CENLA Community Action Committee, 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 CENLA Community Action Committee, 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 CENLA Community Action Committee, Inc.'s internal control over financial reporting and compliance.

*Brown, Eyring & Co.*

Ridgeland, Mississippi  
September 6, 2019

CENLA COMMUNITY ACTION COMMITTEE, INC.  
Statement of Financial Position  
March 31, 2019

| ASSETS                                      | <u>2019</u>                  |
|---|------------------------------|
| Current Assets:                             |                              |
| Cash and cash equivalents                   | \$ 134,970                   |
| Grants and contracts receivables            | <u>9,030</u>                 |
| Total Current Assets                        | <u>144,000</u>               |
| Property and Equipment                      |                              |
| Furniture and equipment                     | <u>28,717</u>                |
| Total Property and Equipment                | 28,717                       |
| Less: Accumulated depreciation              | <u>(28,717)</u>              |
| Net Property and Equipment                  | <u>-</u>                     |
| <b>TOTAL ASSETS</b>                         | <b><u>\$ 144,000</u></b>     |
| <br>LIABILITIES AND NETS ASSETS             |                              |
| Current Liabilities:                        |                              |
| Accounts payable                            | \$ 550                       |
| Accrued annual leave                        | 19,382                       |
| Accrued payroll payable                     | 16,253                       |
| Payroll taxes payable                       | <u>1,207</u>                 |
| Total Current Liabilities                   | <u>37,392</u>                |
| <br>TOTAL LIABILITIES                       | <br><u>37,392</u>            |
| NET ASSETS WITHOUT DONOR RESTRICTIONS       |                              |
| Unrestricted                                |                              |
| Operations                                  | <u>106,608</u>               |
| Total Net Assets Without Donor Restrictions | <u>106,608</u>               |
| <br>TOTAL LIABILITIES AND NET ASSETS        | <br><b><u>\$ 144,000</u></b> |

The Accompanying Notes are an intergral part of these Financial Statements.

CENLA COMMUNITY ACTION COMMITTEE, INC.  
Statement of Activities  
For the Year Ended March 31, 2019

|  | <u>WITHOUT DONOR RESTRICTIONS</u> |                                       |                     |
|--|-----------------------------------|---------------------------------------|---------------------|
|  | <u>Operations</u>                 | <u>Property<br/>and<br/>Equipment</u> | <u>2019</u>         |
| <b>SUPPORT AND REVENUES:</b>           |                                   |                                       |                     |
| Support:                               |                                   |                                       |                     |
| Grants and contracts                   | \$ <u>1,486,640</u>               | -                                     | \$ <u>1,486,640</u> |
| Total Support                          | <u>1,486,640</u>                  | -                                     | <u>1,486,640</u>    |
| Revenues:                              |                                   |                                       |                     |
| Interest income                        | 11                                | -                                     | 11                  |
| Other revenue                          | <u>28,026</u>                     | -                                     | <u>28,026</u>       |
| Total Revenues                         | <u>28,037</u>                     | -                                     | <u>28,037</u>       |
| <b>TOTAL SUPPORT AND REVENUES</b>      | <u>1,514,677</u>                  | -                                     | <u>1,514,677</u>    |
| <b>EXPENSES:</b>                       |                                   |                                       |                     |
| <b>PROGRAM SERVICES:</b>               |                                   |                                       |                     |
| Community services                     | 566,331                           | -                                     | 566,331             |
| Energy assistance and conservation     | 789,980                           | -                                     | 789,980             |
| Senior aid and services                | <u>102,571</u>                    | <u>474</u>                            | <u>103,045</u>      |
| Total Program Services                 | <u>1,458,882</u>                  | <u>474</u>                            | <u>1,459,356</u>    |
| <b>SUPPORTIVE SERVICES:</b>            |                                   |                                       |                     |
| General and administrative             | <u>63,345</u>                     | -                                     | <u>63,345</u>       |
| Total Supportive Services              | <u>63,345</u>                     | -                                     | <u>63,345</u>       |
| <b>TOTAL EXPENSES</b>                  | <u>1,522,227</u>                  | <u>474</u>                            | <u>1,522,701</u>    |
| Change in net assets                   | <u>(7,550)</u>                    | <u>(474)</u>                          | <u>(8,024)</u>      |
| Net Assets at, Beginning of Year       | 111,853                           | 2,779                                 | 114,632             |
| Reclassification of net assets         | <u>2,305</u>                      | <u>(2,305)</u>                        | <u>-</u>            |
| Net Assets Restated, Beginning of Year | <u>114,158</u>                    | <u>474</u>                            | <u>114,632</u>      |
| <b>NET ASSETS, END OF Year</b>         | <u>\$ 106,608</u>                 | <u>-</u>                              | <u>\$ 106,608</u>   |

The Accompanying Notes are an intergral part of these Financial Statements.

CENLA COMMUNITY ACTION COMMITTEE, INC.  
Statement of Functional Expenses  
For the Year Ended March 31, 2019

|                                    | <u>Community<br/>Services</u> | <u>Energy<br/>Assistance and<br/>Conservation</u> | <u>Senior<br/>Aid and<br/>Services</u> | <u>Total<br/>Program<br/>Services<br/>Expenses</u> | <u>General<br/>and<br/>Administrative</u> | <u>Total<br/>Expenses</u> |
|------------------------------------|-------------------------------|---|--|--|---|---------------------------|
| <b>EXPENSES:</b>                   |                               |   |  |  |   |                           |
| Salaries and wages                 | \$ 320,270                    | 40,078  | 13,980                                 | 374,328  | 21,771                                    | \$ 396,099                |
| Payroll tax expense                | 87,853                        | 7,510   | 2,847                                  | 98,210   | 2,696                                     | 100,906                   |
| Supplies                           | 21,743                        | 6,529   | 2,369                                  | 30,641   | 18,147                                    | 48,788                    |
| Travel and conference              | 16,381                        | 3,822   | 369                                    | 20,572   | 9,111                                     | 29,683                    |
| Space cost                         | 8,735                         | 1,433   | 2,166                                  | 12,334   | 820                                       | 13,154                    |
| Utilities                          | 1,486                         | 263   | 118                                    | 1,867  | 22  | 1,889                     |
| Telephone                          | 3,232                         | 1,635   | 759                                    | 5,626  | 264                                       | 5,890                     |
| Insurance and bonding              | 10,720                        | 734   | 784                                    | 12,238   | 3,559                                     | 15,797                    |
| Postage                            | 560                           | 41  | -                                      | 601  | -   | 601                       |
| Repair and maintenance of building | 126                           | -   | -                                      | 126  | 225                                       | 351                       |
| Board expense                      | 6,718                         | -   | -                                      | 6,718  | -   | 6,718                     |
| Publication and printing           | 125                           | -   | -                                      | 125  | -   | 125                       |
| Specific assistance                | 63,987                        | 725,599   | 71,624                                 | 861,210  | 100                                       | 861,310                   |
| Contractual                        | 6,054                         | 270   | 1,385                                  | 7,709  | 2,893                                     | 10,602                    |
| Advertisement                      | 308                           | -   | -                                      | 308  | -   | 308                       |
| Dues and subscriptions             | 1,528                         | 146   | 69                                     | 1,743  | 161                                       | 1,904                     |
| Internet service                   | 3,571                         | -   | -                                      | 3,571  | -   | 3,571                     |
| Legal, audit and accounting        | 10,274                        | 1,920   | 5,402                                  | 17,596   | 2,045                                     | 19,641                    |
| Bank service charges               | 1,000                         | -   | -                                      | 1,000  | 66  | 1,066                     |
| Other                              | <u>1,660</u>                  | <u>-</u>  | <u>699</u>                             | <u>2,359</u>                                       | <u>1,465</u>                              | <u>3,824</u>              |
| Total expenses before depreciation | 566,331                       | 789,980   | 102,571                                | 1,458,882  | 63,345                                    | 1,522,227                 |
| Depreciation                       | <u>-</u>                      | <u>-</u>  | <u>474</u>                             | <u>474</u>   | <u>-</u>                                  | <u>474</u>                |
| <b>TOTAL EXPENSES</b>              | <u>\$ 566,331</u>             | <u>789,980</u>                                    | <u>103,045</u>                         | <u>1,459,356</u>                                   | <u>63,345</u>                             | <u>\$ 1,522,701</u>       |

The Accompanying Notes are an intergral part of these Financial Statements.

CENLA COMMUNITY ACTION COMMITTEE, INC.  
Statement of Cash Flows  
For the Year Ended March 31, 2019

| CASH FLOWS USED FOR OPERATING ACTIVITIES:   | <u>2019</u>       |
|---|-------------------|
| Changes in Net Assets   | \$ (8,024)        |
| Adjustments to reconcile changes in net assets<br>to net cash provided by operating activities: |                   |
| Depreciation  | 2,779             |
| (Increase) decrease in:   |                   |
| Grants receivable   | (6,780)           |
| Increase (decrease) in:   |                   |
| Accounts payable  | (8,491)           |
| Payroll taxes payable   | 157               |
| Accrued payroll   | 2,111             |
| Accrued annual leave  | <u>(874)</u>      |
| NET CASH USED IN OPERATING ACTIVITIES   | <u>(19,122)</u>   |
| <br>  |                   |
| NET DECREASE IN CASH  | (19,122)          |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR  | <u>154,092</u>    |
| CASH AND CASH EQUIVALENTS, END OF YEAR  | <u>\$ 134,970</u> |

The Accompanying Notes are an intergral part of these Financial Statements.

CENLA COMMUNITY ACTION COMMITTEE, INC.  
Notes to the Financial Statements  
March 31, 2019

**NOTE 1 - BACKGROUND**

CENLA Community Action Committee, Inc. (the "Organization") is a multi-funded private nonprofit community based organization designed to stimulate available resources to enable low-wealth individuals and families to attain skills, knowledge, and motivations, and secure the opportunities needed to become economically stable. The Organization operates community action programs in Rapides Parish.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Financial Statement Presentation** - The Organization is required to report information regarding its financial position and activities according to two classes of net assets, as applicable: net assets with donor restrictions and net assets without donor restrictions. In addition, the Organization is required to present a statement of functional expenses and cash flows.

**Contributions** - In accordance with FASB ASC 958 "Accounting for Contributions Received and Contributions Made", contributions are recognized as revenue upon the effective date of the award of the gift or grant by the donor or grantor. Contributions are recorded as unrestricted and temporarily restricted support depending on the existence and/or nature of any donor or grantor restrictions. The definition of contributions under SFAS applies to grant funds received by the Organization from federal grantors.

**Use of 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.

**Cash and Cash Equivalents** - The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be "cash equivalents".

**Property and Equipment** - Property and equipment are recorded at costs. Property acquired is considered owned by the Organization. However, the respective funding sources have a reversionary interest in property purchased with grant funds or acquired through government appropriations; the disposition and ownership of any proceeds from the dispositions of property are subject to grant regulations.

The minimum expenditure amounts required, by funding sources, to capitalize non-expendable property within the Organization's property records are amounts over \$5,000.

Depreciation is provided using the straight line method over estimated useful lives. The estimated useful lives are as follows:

|                        |            |
|------------------------|------------|
| Building               | 30 years   |
| Furniture and Fixtures | 5-10 years |
| Equipment              | 5-10 years |
| Vehicles               | 5 years    |

CENLA COMMUNITY ACTION COMMITTEE, INC.  
Notes to the Financial Statements  
March 31, 2019

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Employees' Annual Leave** - The Organization charges annual leave earned by employees which has not been used by them at the end of a period to the period that the leave is earned.

**Functional Allocation of Expenses** - The costs of providing the Organization's various programs and supporting services have been summarized on a functional basis. Accordingly, certain costs have been allocated among programs and supporting services benefited.

**Donated Materials** - Donated space and materials are reflected as contributions in the accompanying statements at their estimated fair values at date of receipt. The donated space and materials are recognized as both support and expenditure and therefore do not affect net assets.

**Income Taxes** - The Organization is a private, nonprofit corporation exempt from income taxes as granted by the Internal Revenue Service (IRS) under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income taxes has been recorded on the accompanying financial statements. In addition, the State of Louisiana income tax laws recognizes the Organization as a tax-exempt organization for Louisiana income tax purposes.

The Organization has adopted recently issued accounting principles related to uncertain tax positions for the year ended March 31, 2019, and has evaluated its tax positions taken for all open tax years. Currently, the 2015, 2016 and 2017 tax years are open and subject to examination by the Internal Revenue Service; however, the Organization is not currently under audit nor has the Organization been contacted by any of these jurisdictions.

Based on the evaluation of the Organization's tax positions, management believes all positions taken would be upheld under an examination; therefore, no provision for the effects of uncertain tax positions has been recorded for the year ended March 31, 2019.

**Classification of Net Assets** - Net Assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Net Assets are comprised of two groups as follows:

- a) **Net Assets Without Donor Restrictions** - Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.
- b) **Net Assets With Donor Restrictions** - Assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the organization. Certain restrictions may need to be maintained in perpetuity.

CENLA COMMUNITY ACTION COMMITTEE, INC.  
Notes to the Financial Statements  
March 31, 2019

**NOTE 3 - CONCENTRATION OF CREDIT RISK**

The Organization maintains cash balances at a financial institution which is insured by the Federal Deposit Insurance Corporation. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of March 31, 2019, the Organization cash balances were fully insured.

**NOTE 4 - LIQUIDITY AND AVAILABILITY**

The Center strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. Financial assets in excess of daily cash requirements are invested in certificates of deposit, money market funds, and other short-term investments.

The following table reflects the Center's financial assets as of March 31, 2019, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of internal board designations. In the event the need arises to utilize the board-designated funds for liquidity purposes, the reserves could be drawn upon through board resolution. Amounts not available to meet general expenditures within one year also may include net assets with donor restrictions. There were no net assets with donor restrictions at March 31, 2019.

Financial assets available for general expenditure at March 31, 2019, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

|  |  |                   |
|--|--|-------------------|
| Cash and cash equivalents  |  | \$ 134,970        |
| Grants Receivable  |  | <u>9,030</u>      |
| Financial assets available to meet cash needs for general expenditures within one year |  | <u>\$ 144,000</u> |

**NOTE 5 - PROPERTY AND EQUIPMENT**

A summary of property and equipment as of March 31, 2019 is as follows:

| Description                    | Balance at<br>04/01/2018 | Additions    | Balance at<br>3/31/2019 |
|--------------------------------|--------------------------|--------------|-------------------------|
| Furniture and equipment        | \$ 28,717                | -            | \$ 28,717               |
| Total Property and Equipment   | 28,717                   | -            | 28,717                  |
| Less: accumulated depreciation | <u>(28,243)</u>          | <u>(474)</u> | <u>(28,717)</u>         |
| Net Property and Equipment     | <u>\$ 474</u>            | <u>(474)</u> | <u>\$ -</u>             |

Depreciation expense for the year ended March 31, 2019 amounted to \$474.

CENLA COMMUNITY ACTION COMMITTEE, INC.  
Notes to the Financial Statements  
March 31, 2019

**NOTE 6 - GRANT BALANCES AND GRANT CONDITIONS**

The Organization has responsibility for expending grant funds in accordance with specified instructions from its funding sources. Any deficits resulting from over expenditures and/or questioned costs are the responsibility of the Organization.

Any unexpended grant funds at the end of the grant period may be refundable or carried over to the following period at the discretion of the funding sources.

Notwithstanding the audits by independent certified public accountants, all costs included in this report remain subject to audit by the agencies providing financial support within the limits of the Uniform Guidance. The determination as to whether costs will be allowable or unallowable under the grants will be made by representatives of the funding sources having authority to make and enforce contracts.

**NOTE 7 - RETIREMENT PLAN**

The Organization adopted a defined contribution pension plan that has been determined by the Internal Revenue Services to meet the requirements for qualifications under Section 403 (b) of the Internal Revenue Code, and which permits or requires amounts contributed there under to be applied under the contract on behalf of employees covered by the plan. Employees eligible to participate may contribute \$9,500 or 20% of their annual salary to the plan. CENLA will match the employees' contribution up to 5% of the employees' gross annual salary. The assets of the plan are managed by separate directors and are not included in the financial statements. For the year ended March 31, 2019, CENLA contributions to the 403(b) Plan totaled \$4,938.

**NOTE 8 - COMMITMENTS AND CONTINGENCIES**

***Operating Leases***

The following is a schedule by years of minimum future space rentals on non-cancelable operating leases for the administrative offices as of March 31, 2019.

| Year Ending March 31: | Amount                 |
|-----------------------|------------------------|
| 2019                  | \$ <u>6,000</u>        |
| TOTALS                | \$ <u><u>6,000</u></u> |

CENLA leases an office building operating leases. Rent expense for the year ended March 31, 2019 totaled \$13,154.

**NOTE 9 - CONCENTRATION OF CONTRIBUTIONS OR GRANTS**

Approximately 52.00% of the Organization's funding is provided by grants from the U. S. Department of Health and Human Services.

CENLA COMMUNITY ACTION COMMITTEE, INC.  
Notes to the Financial Statements  
March 31, 2019

**NOTE 10 - LITIGATION**

CENLA Community Action Committee, Inc. maintains general liability, property, directors and officers and other insurance coverage in amounts the Company believes to be adequate.

In the ordinary course of its business, CENLA Community Action Committee, Inc. is a party to claims and legal actions by others. After consulting with legal counsel, the Organization is of the opinion that any liability that may ultimately be incurred as a result of these claims, legal actions, audits or investigations will not have a material adverse effect on the financial position or results of operations of CENLA Community Action Committee, Inc.

**NOTE 11 - NEW ACCOUNTING PRONOUNCEMENTS**

ASU (Accounting Standards Update) 2016-14, *"Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities."* This ASU will simplify and improve how a not-for-profit organization classifies its net assets and presents expenses, as well as, the information it presents in financial statements and notes about its liquidity, financial performance, and cash flows. The amendments in ASU 2016-14 were implemented for the year ending March 31, 2019.

**NOTE 12 - SUBSEQUENT EVENTS**

Subsequent events have been evaluated through September 6, 2019, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.



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 of  
CENLA Community Action Committee, Inc.  
Alexandria, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of CENLA Community Action Committee, Inc. (a nonprofit organization), which comprise the statement of financial position as of March 31, 2019, and the related statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 6, 2019.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered CENLA Community Action Committee, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CENLA Community Action Committee, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of CENLA Community Action Committee, 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 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.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether CENLA Community Action Committee, 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brown, Ely & Co.

Ridgeland, Mississippi  
September 6, 2019



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 of  
CENLA Community Action Committee, Inc.  
Alexandria, Louisiana

**Report on Compliance for Each Major Federal Program**

We have audited CENLA Community Action Committee, Inc.'s compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of CENLA Community Action Committee, Inc.'s major federal programs for the year ended March 31, 2019. CENLA Community Action Committee, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of CENLA Community Action Committee, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of *Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about CENLA Community Action Committee, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of CENLA Community Action Committee, Inc.'s compliance.

## Opinion on Each Major Federal Program

In our opinion, CENLA Community Action Committee, 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 March 31, 2019.

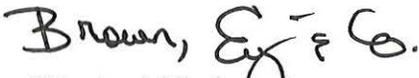
## Report on Internal Control Over Compliance

Management of CENLA Community Action Committee, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered CENLA Community Action Committee, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of CENLA Community Action Committee, Inc.'s internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

  
Ridgeland, Mississippi  
September 6, 2019

CENLA COMMUNITY ACTION COMMITTEE, INC.  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended March 31, 2019

| Federal Grant/<br>Pass-Through Grantor<br>Program Title     | Federal<br>CFDA<br>Number | Pass-Through<br>Grant<br>Number | Federal<br>Expenditures |
|---|---------------------------|---------------------------------|-------------------------|
| <u>U. S. Department Of Human Services</u>                   |                           |                                 |                         |
| Pass through State of Louisiana:                            |                           |                                 |                         |
| Office of Workforce Development                             |                           |                                 |                         |
| <i>Community Service Block Grant Cluster Program:</i>       |                           |                                 |                         |
| Community Service Block Grant                               | 93.569                    | 2017N0014                       | \$ 25,746               |
| Community Service Block Grant                               | 93.569                    | 2018N0014                       | 462,816                 |
| Community Service Block Grant -                             | 93.710                    | 2019N0014                       | <u>70,485</u>           |
| Total Community Service Block Grant Cluster Program         |                           |                                 | <u>559,047</u>          |
| Pass through State of Louisiana Housing Corporation:        |                           |                                 |                         |
| Low-Income Home Energy Assistance Program                   | 93.568                    | LIHEAP 2017                     | 25,501                  |
| Low-Income Home Energy Assistance Program                   | 93.568                    | LIHEAP 2018                     | 385,505                 |
| Low-Income Home Energy Assistance Program                   | 93.568                    | LIHEAP 2018 2nd                 | 241,392                 |
| Low-Income Home Energy Assistance Program                   | 93.568                    | LIHEAP 2019                     | <u>137,582</u>          |
|   |                           |                                 | <u>789,980</u>          |
| Total U. S. Department of Health and Human Services         |                           |                                 | <u>1,349,027</u>        |
| Direct Funding  |                           |                                 |                         |
| Federal Emergency Management Agency                         |                           |                                 |                         |
| Emergency Food and Shelter Program                          | 97.024                    | 33-3668-00                      | <u>3,933</u>            |
| Total Federal Emergency Management Agency                   |                           |                                 | <u>3,933</u>            |
| <u>U.S. Department of Housing and Urban<br/>Development</u> |                           |                                 |                         |
| Pass through State of Louisiana                             |                           |                                 |                         |
| Housing Counseling Grant                                    | 14.169                    | N/A                             | <u>6,480</u>            |
| Total U.S. Department of Housing & Urban Development        |                           |                                 | <u>6,480</u>            |
| TOTAL EXPENDITURES OF FEDERAL AWARDS                        |                           |                                 | <u>\$ 1,359,440</u>     |

CENLA COMMUNITY ACTION COMMITTEE, INC.  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended March 31, 2019

NOTE 1 - BASIS OF PRESENTATION

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

CENLA Community Action Committee, Inc. does not charge indirect cost and therefore has elected not to use the 10-percent de minimis Indirect cost rate allowed under the Uniform Guidance.

CENLA COMMUNITY ACTION COMMITTEE, INC.

SUPPLEMENTARY INFORMATION

MARCH 31, 2019

SCHEDULE A

CENLA COMMUNITY ACTION COMMITTEE, INC.  
 Combining Schedule of Revenues  
 For the Year Ended March 31, 2019

|                            | Community Services<br>and Economic<br>Development | Energy Assistance<br>and<br>Conservation | General<br>Fund | Senior<br>Citizens Program | Total               |
|----------------------------|---|--|-----------------|----------------------------|---------------------|
| REVENUES:                  |   |  |                 |                            |                     |
| Grants and contracts       | \$ 569,460  | 789,980                                  | -               | 127,200                    | \$ 1,486,640        |
| Interest income            | -   | -  | -               | 11                         | 11                  |
| Other revenue              | -   | -  | 28,026          | -                          | 28,026              |
| TOTAL SUPPORT AND REVENUES | <u>\$ 569,460</u>                                 | <u>789,980</u>                           | <u>28,026</u>   | <u>127,211</u>             | <u>\$ 1,514,677</u> |

SCHEDULE B

CENLA COMMUNITY ACTION COMMITTEE, INC.  
 Community Service Programs  
 Combining Schedule of Revenues and Expenses  
 For the Year Ended March 31, 2019

|                              | Emergency Food<br>and Shelter<br>Program | Community Service<br>Block Grant<br>Program | Homebuyer<br>Counseling<br>Grant | TOTAL           |
|------------------------------|--|---|----------------------------------|-----------------|
| REVENUES:                    |  |   |                                  |                 |
| Grants and contracts         | \$ 3,933                                 | 559,047                                     | 6,480                            | \$ 569,460      |
| TOTAL SUPPORT AND REVENUES   | <u>3,933</u>                             | <u>559,047</u>                              | <u>6,480</u>                     | <u>569,460</u>  |
| EXPENSES:                    |  |   |                                  |                 |
| Program Services             |  |   |                                  |                 |
| Salaries and wages           | -  | 318,686                                     | 1,584                            | 320,270         |
| Payroll tax expense          | -  | 82,957                                      | 4,896                            | 87,853          |
| Supplies                     | -  | 21,743                                      | -                                | 21,743          |
| Travel and conferences       | -  | 16,381                                      | -                                | 16,381          |
| Space cost                   | -  | 8,735                                       | -                                | 8,735           |
| Utilities                    | -  | 1,486                                       | -                                | 1,486           |
| Telephone                    | -  | 3,232                                       | -                                | 3,232           |
| Insurance and bonding        | -  | 10,720                                      | -                                | 10,720          |
| Postage                      | -  | 560   | -                                | 560             |
| Repair and maintenance       | -  | 126   | -                                | 126             |
| Board expense                | -  | 6,718                                       | -                                | 6,718           |
| Publication and printing     | -  | 125   | -                                | 125             |
| Specific assistance          | 804                                      | 63,183                                      | -                                | 63,987          |
| Contractual                  | -  | 6,054                                       | -                                | 6,054           |
| Advertisement                | -  | 308   | -                                | 308             |
| Dues and subscriptions       | -  | 1,528                                       | -                                | 1,528           |
| Internet service             | -  | 3,571                                       | -                                | 3,571           |
| Legal, audit and accounting  | -  | 10,274                                      | -                                | 10,274          |
| Bank service charges         | -  | 1,000                                       | -                                | 1,000           |
| Other                        | -  | 1,660                                       | -                                | 1,660           |
| Total Program Services       | <u>804</u>                               | <u>559,047</u>                              | <u>6,480</u>                     | <u>566,331</u>  |
| Change in Net Assets         | <u>3,129</u>                             | <u>-</u>                                    | <u>-</u>                         | <u>3,129</u>    |
| Net Asset, Beginning of Year | <u>1,700</u>                             | <u>1,770</u>                                | <u>-</u>                         | <u>3,470</u>    |
| Net Asset, End of Year       | <u>\$ 4,829</u>                          | <u>1,770</u>                                | <u>-</u>                         | <u>\$ 6,599</u> |

SCHEDULE C

CENLA COMMUNITY ACTION COMMITTEE, INC.  
 Energy Assistance and Conservation  
 Combining Schedule of Revenues and Expenses  
 For the Year Ended March 31, 2019

|                               | <u>LIHEAP<br/>Grant<br/>Program</u> |
|-------------------------------|-------------------------------------|
| REVENUES:                     |                                     |
| Grants and contracts          | \$ <u>789,980</u>                   |
| TOTAL SUPPORT AND REVENUES    | <u>789,980</u>                      |
| EXPENSES:                     |                                     |
| Program Services              |                                     |
| Salaries and wages            | 40,078                              |
| Payroll tax expense           | 7,510                               |
| Supplies                      | 6,529                               |
| Travel and conferences        | 3,822                               |
| Space cost                    | 1,433                               |
| Utilities                     | 263                                 |
| Telephone                     | 1,635                               |
| Insurance and bonding         | 734                                 |
| Postage                       | 41                                  |
| Specific assistance           | 725,599                             |
| Contractual                   | 270                                 |
| Dues and subscription         | 146                                 |
| Legal, audit and accounting   | <u>1,920</u>                        |
| Total Expenses                | <u>789,980</u>                      |
| Change in Net Assets          | <u>-</u>                            |
| Net Assets, Beginning of Year | <u>11,445</u>                       |
| Net Asset, End of Year        | <u>\$ 11,445</u>                    |

SCHEDULE D

CENLA COMMUNITY ACTION COMMITTEE, INC.  
 Senior Aid and Services  
 Schedule of Revenues and Expenses  
 For the Year Ended March 31, 2019

|                              | <u>Senior<br/>Citizens<br/>Program</u> |
|------------------------------|--|
| REVENUES:                    |  |
| Grant revenue (non-federal)  | \$ 127,200                             |
| Interest income              | <u>11</u>                              |
| TOTAL SUPPORT AND REVENUES   | <u>127,211</u>                         |
| EXPENSES                     |  |
| Salaries                     | 13,980                                 |
| Payroll tax expense          | 2,847                                  |
| Supplies                     | 2,369                                  |
| Travel and conferences       | 369                                    |
| Space cost                   | 2,166                                  |
| Utilities                    | 118                                    |
| Telephone                    | 759                                    |
| Insurance and bonding        | 784                                    |
| Specific assistance          | 71,624                                 |
| Contractual                  | 1,385                                  |
| Dues and subscriptions       | 69                                     |
| Legal, audit and accounting  | 5,402                                  |
| Other                        | <u>699</u>                             |
| Total Expenses               | <u>102,571</u>                         |
| Change in Net Assets         | <u>24,640</u>                          |
| Net Asset, Beginning of Year | <u>89,957</u>                          |
| Net Asset, End of Year       | <u>\$ 114,597</u>                      |

SCHEDULE E

CENLA COMMUNITY ACTION COMMITTEE, INC.  
 General and Administrative  
 Schedule of Revenues and Expenses  
 For the Year Ended March 31, 2019

|                                  | <u>General<br/>and<br/>Administrative</u> |
|----------------------------------|---|
| REVENUES:                        |   |
| Other                            | \$ <u>28,026</u>                          |
| <br>TOTAL SUPPORT AND REVENUES   | <br><u>28,026</u>                         |
| EXPENSES                         |   |
| Salaries and wages               | \$ 21,771                                 |
| Payroll tax expense              | 2,696                                     |
| Supplies                         | 18,147                                    |
| Travel and conferences           | 9,111                                     |
| Space cost                       | 820                                       |
| Utilities                        | 22  |
| Telephone                        | 264                                       |
| Insurance and bonding            | 3,559                                     |
| Repair and maintenance           | 225                                       |
| Specific assistance              | 100                                       |
| Contractual                      | 2,893                                     |
| Dues and subscriptions           | 161                                       |
| Legal, audit and accounting      | 2,045                                     |
| Bank service charges             | 66  |
| Other                            | <u>1,465</u>                              |
| Total Expenses                   | <u>63,345</u>                             |
| Change in Net Assets             | <u>(35,319)</u>                           |
| <br>Net Asset, Beginning of Year | <br><u>9,757</u>                          |
| Net Asset, End of Year           | <u>\$ (25,562)</u>                        |

SCHEDULE G

CENLA COMMUNITY ACTION COMMITTEE, INC.  
 Schedule of Compensation, Benefits, Reimbursements, and Other Payments to Chief Executive Officer  
 Year Ended March 31, 2019

In accordance with Act 706 passed during the 2014 regular Louisiana Legislative Session, the compensation, benefits, reimbursements and other payments to the Chief Executive Officer are presented as follows for Ms. Joan A. Lee:

| <u>Category</u>   | <u>Amount</u>    | <u>Total</u>            |
|---|------------------|-------------------------|
| Salary  | \$ <u>72,873</u> |                         |
| Total salary  |                  | \$ 72,873               |
| Benefits:   |                  |                         |
| Health insurance  | \$ 8,254         |                         |
| Social security   | 4,346            |                         |
| Medicare  | 1,016            |                         |
| Retirement  | <u>3,617</u>     |                         |
| Total benefits  |                  | 17,233                  |
| Travel:   |                  |                         |
| Per diem  | 5,226            |                         |
| Registration  | <u>190</u>       |                         |
| Total travel  |                  | <u>5,416</u>            |
| Total Compensation, Benefits,<br>Travel, and Other Expenses |                  | \$ <u><u>95,522</u></u> |

CENLA COMMUNITY ACTION COMMITTEE, INC.  
 Schedule of Findings and Questioned Costs  
 Year Ended March 31, 2019

SECTION 1. SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

- |    |  |               |
|----|--|---------------|
| 1. | Type of auditor's report issued on the financial statements.                           | Unmodified    |
| 2. | Material noncompliance relating to the financial statements.                           | None          |
| 3. | Internal control over financial reporting:   |               |
| a. | Material weaknesses identified?  | No            |
| b. | Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |

Federal Awards:

- |   |  |   |                            |   |        |  |
|---|--|---|----------------------------|---|--------|--|
| 4.  | Type of auditor's report issued on compliance for major federal programs   | Unmodified                                |                            |   |        |  |
| 5.  | Internal control over major programs:  |   |                            |   |        |  |
| a.  | Material weaknesses identified?  | No  |                            |   |        |  |
| b.  | Significant deficiencies identified that are not considered to be material weaknesses?   | None Reported                             |                            |   |        |  |
| 6.  | Audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a)?   | No  |                            |   |        |  |
| 7.  | Federal programs identified as major programs:   |   |                            |   |        |  |
|   | <table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: left;"><u>Name of Federal Program or Cluster</u></td> <td style="text-align: left;"><u>Federal CFDA Number</u></td> </tr> <tr> <td>Low Income Home Energy Assistance Program</td> <td>93.568</td> </tr> </table> | <u>Name of Federal Program or Cluster</u> | <u>Federal CFDA Number</u> | Low Income Home Energy Assistance Program | 93.568 |  |
| <u>Name of Federal Program or Cluster</u> | <u>Federal CFDA Number</u>   |   |                            |   |        |  |
| Low Income Home Energy Assistance Program | 93.568   |   |                            |   |        |  |
| 8.  | The dollar threshold used to distinguish between type A and type B programs:   | \$750,000                                 |                            |   |        |  |
| 9.  | Auditee did not qualify as a low-risk auditee.   |   |                            |   |        |  |

SECTION 2. FINDING - FINANCIAL STATEMENTS AUDIT

NONE

SECTION 3. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAMS

NONE

CENLA COMMUNITY ACTION COMMITTEE, INC.  
4008 Parliament Drive  
Alexandria, Louisiana 71303

Summary Schedule of Prior Year Audit Findings  
For the Year Ended March 31, 2019

**There were no audit findings for the year ended March 31, 2018.**