

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

FINANCIAL STATEMENTS

Year Ended December 31, 2021

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

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PACIERA, GAUTREAU & PRIEST, LLC

CERTIFIED PUBLIC ACCOUNTANTS

3209 RIDGELAKE DRIVE, SUITE 200

METAIRIE, LA 70002

(504) 486-5573

FAX (504) 486-6091

www.pgpcpa.com

KIRTH M. PACIERA, C.P.A.
TIMOTHY L. PRIEST, C.P.A.

MEMBERS OF
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(1958-2019)

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Concerned Citizens for A Better Algiers, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Concerned Citizens for A Better Algiers, Inc. as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Concerned Citizens for A Better Algiers, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Concerned Citizens for A Better Algiers, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Concerned Citizens for A Better Algiers, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the schedule of compensation, benefits, and other payments to agency head, as required by the State of Louisiana, and the schedule of activities and changes in net assets are presented for purposes of additional analysis and are not a required parts of the financial 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

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

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 June 27, 2022, on our consideration of Concerned Citizens for A Better Algiers, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Concerned Citizens for A Better Algiers, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Concerned Citizens for A Better Algiers, Inc.'s internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited Concerned Citizens for A Better Algiers, Inc.'s 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 23, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Paciera, Gautreau & Priest, LLC
Metairie,
Louisiana
June 27, 2022

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2021

With Summarized Financial Information on December 31, 2020

ASSETS	2021	2020
Cash and cash equivalents (Note A7)	\$ 550,702	\$ 638,495
Receivables, net:		
Grants (Notes A4 and B)	425,730	259,967
Rents	22,515	13,289
Other	5,000	21,844
	<u>453,245</u>	<u>295,100</u>
Prepaid expenses and deposits	<u>33,739</u>	<u>14,243</u>
Total current assets	<u>1,037,686</u>	<u>947,838</u>
Land, buildings, and equipment, net (Note A6 and C)	<u>3,325,653</u>	<u>3,488,176</u>
Total Assets	<u>4,363,339</u>	<u>4,436,014</u>
LIABILITIES		
Accounts payable and accrued liabilities	45,794	53,665
Note payable (Note D)	220,000	220,000
Other liability (Note E)	<u>89,215</u>	<u>113,200</u>
Total Current Liabilities	355,009	386,865
Tenant security deposits	<u>26,248</u>	<u>32,395</u>
Total Liabilities	<u>381,257</u>	<u>419,260</u>
NET ASSETS		
Without donor restrictions	<u>3,982,082</u>	<u>4,016,754</u>
Total Liabilities and Net Assets	\$ <u>4,363,339</u>	\$ <u>4,436,014</u>

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

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

STATEMENT OF ACTIVITIES

Year ended December 31, 2021

With Summarized Financial Information for the Year Ended December 31, 2020

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	Total <u>2021</u>	Total <u>2020</u>
REVENUES				
Grants	\$142,250	\$1,117,549	\$1,259,799	\$ 904,911
Program service fees - rent	422,329	0	422,329	427,035
Fundraising	14,038	0	14,038	8,662
Other	11,252	0	11,252	10,677
Net assets released from restrictions	<u>1,117,549</u>	<u>(1,117,549)</u>	<u>0</u>	<u>0</u>
 Total Revenues	 <u>1,707,418</u>	 <u>0</u>	 <u>1,707,418</u>	 <u>1,351,285</u>
EXPENSES				
Advertising	2,545	0	2,545	2,032
Bad debt	0	0	0	150
Bank charges	2,373	0	2,373	1,486
Contributions	1,864	0	1,864	1,148
Depreciation	162,523	0	162,523	162,523
Dues and memberships	7,138	0	7,138	6,790
Equipment	11,505	0	11,505	7,704
Food	31,478	0	31,478	33,810
Health insurance	45,802	0	45,802	40,368
Insurance	131,653	0	131,653	161,930
Interest	14,256	0	14,256	14,083
Meetings and travel	3,652	0	3,652	1,696
Occupancy	63,194	0	63,194	55,103
Other costs	520	0	520	2,882
Payroll taxes	41,017	0	41,017	42,243
Professional services	185,464	0	185,464	174,187
Rental assistance	327,141	0	327,141	236,226
Repairs and maintenance	142,481	0	142,481	90,561
Salaries	499,264	0	499,264	494,397
Supplies	34,653	0	34,653	43,534
Taxes and licenses	429	0	429	956
Telephone	27,156	0	27,156	28,030
Trash removal	1,868	0	1,868	1,514
Vehicle expenses	<u>4,114</u>	<u>0</u>	<u>4,114</u>	<u>4,109</u>
 Total Expenses	 <u>1,742,090</u>	 <u>0</u>	 <u>1,742,090</u>	 <u>1,607,462</u>
 Change in net assets	 (34,672)	 0	 (34,672)	 (256,177)
 Beginning net assets	 <u>4,016,754</u>	 <u>0</u>	 <u>4,016,754</u>	 <u>4,272,931</u>
 Ending net assets	 <u>\$3,982,082</u>	 <u>\$ 0</u>	 <u>\$3,982,082</u>	 <u>\$4,016,754</u>

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

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

STATEMENT OF CASH FLOWS

Year ended December 31, 2021

With Summarized Financial Information for the Year Ended December 31, 2020

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities		
Change in net assets	\$ (34,672)	\$ (256,177)
Adjustments to reconcile changes in net assets to net cash provided by (used for) operating activities:		
Depreciation	162,523	162,523
Forgiveness of liabilities	(113,200)	0
Changes in assets and liabilities:		
(Increase) decrease in grants receivable	(165,763)	189,416
(Increase) in rents receivable	(9,226)	(4,629)
(Increase) decrease in other receivables	16,844	(16,094)
(Increase) decrease in prepaid expenses	(19,496)	13,811
(Decrease) in accounts payable and accrued liabilities	(7,871)	(9,469)
Increase (decrease) in tenant security deposits	(6,147)	1,269
Net cash provided by (used for) operating activities	<u>(177,008)</u>	<u>80,650</u>
Cash Flows from Investing Activities		
Capitalization of building costs and real estate	<u>0</u>	<u>(35,568)</u>
Net Cash provided by (used for) investing activities	<u>0</u>	<u>(35,568)</u>
Cash Flows from Financing Activities		
Increase in other liabilities	<u>89,215</u>	<u>113,200</u>
Net Cash provided by financing activities	<u>89,215</u>	<u>113,200</u>
Net increase (decrease) in cash, cash equivalents, and restricted cash	(87,793)	158,282
Cash, cash equivalents, and restricted cash:		
Beginning of year	<u>638,495</u>	<u>480,213</u>
End of year	<u>\$ 550,702</u>	<u>\$ 638,495</u>
Supplemental Disclosures of Cash Flow Information		
Cash paid during the year for:		
Interest	<u>\$ 14,256</u>	<u>\$ 14,083</u>
Income Taxes	<u>\$ 0</u>	<u>\$ 0</u>

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

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE A - SUMMARY OF ACCOUNTING POLICIES

A summary of the Corporation's significant accounting policies consistently applied in the preparation of the accompanying financial statements follow.

1. Nature of Activities

Concerned Citizens for A Better Algiers, Inc. (the "Corporation") is a non-profit corporation organized under the laws of the State of Louisiana. The Corporation is organized to raise the economic, educational, and social levels of the residents of the Algiers Community; and to foster and promote community-wide interest and concern for the problems of individuals with special needs.

2. Financial Statement Presentation

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

3. Net Assets

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

Without donor restrictions - Those resources not subject to donor-imposed restrictions. The Board of Directors has discretionary control over those resources.

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

4. Revenue Recognition and Contributed Support

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

Contributed support, including government grant revenue, is reported as Without Donor Restrictions or With Donor Restrictions depending on the existence of donor stipulations that limit the use of the support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, donor restrictions are reclassified to Without Donor Restrictions and reported in the statement of activities as "net assets released from restrictions".

Contributions of cash given for the purpose of purchasing or constructing property and equipment are reported as net assets with donor restrictions. Absent explicit donor stipulations for the time long-

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

lived assets must be held, expirations of restrictions resulting from reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the purchased long-lived assets are placed in service.

5. Receivables

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

6. Land, Buildings, and Equipment

Concerned Citizens for A Better Algiers, Inc. records property acquisitions at cost. Donated items are recorded at estimated value at the date of donation. Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, on a straight-line basis. Depreciation expense for the year ended December 31, 2021 totaled \$162,523.

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

7. Cash, Restricted Cash, and Cash Equivalents

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

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

Cash and cash equivalents	\$ 550,702
Restricted cash for long-term purposes	<u>0</u>
Total cash, cash equivalents, and restricted cash	\$ <u>550,702</u>

Noncash financing activities in 2021 consist of the forgiveness of the Paycheck Protection Program loan of \$113,200. See Note F.

8. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

9. Fair Values of Financial Instruments

Generally accepted accounting principles provide a framework for measuring fair value. That framework establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

On December 31, 2021, the Corporation had no investments.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

10. Functional Allocation of Expenses

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

11. Investment Return, net

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

12. Donated Services

The Corporation generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Corporation with their housing programs, fundraising, and board of director assignments. The Corporation receives more than 500 volunteer hours per year. Donated services of \$11,279 have been reflected in the financial statements.

13. Subsequent Events

The subsequent events of the Corporation have been evaluated through June 27, 2022, which is the date the financial statements were available to be issued.

14. Summarized Comparative Information

The financial statements include certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Corporation's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

NOTE B - GRANTS RECEIVABLE

Grants receivable at December 31, 2021 consists of amounts due from the City of New Orleans for the following programs:

Housing Opportunities for Persons with Aids (HOPWA)	\$ 311,726
Ryan W. White Part A (Ryan White)	<u>114,004</u>
	\$ <u>425,730</u>

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE C - LAND, BUILDINGS, AND EQUIPMENT

Land, buildings, and equipment on December 31, 2021 consist of the following:

Buildings	\$ 4,829,556
Transportation equipment	27,798
Equipment	4,065
	<u>4,861,419</u>
Less accumulated depreciation	2,133,736
	<u>2,727,683</u>
Construction-in-progress	350,383
	<u>3,078,066</u>
Land	247,587
	<u>\$ 3,325,653</u>

Land and buildings include certain major items acquired with grants from governmental agencies. These properties are subject to HOME Affordable Rental Housing Program (HOME) regulatory agreements for periods ranging from 15 to 20 years. The net book value of the properties subject to HOME regulatory agreements at December 31, 2021 was \$2,143,372.

NOTE D-NOTE PAYABLE

Note payable on December 31, 2021 consists of the following:

Note payable to financial institution, revolving line of credit up to \$500,000 with an interest rate of 5.5%, due August 28, 2022. Secured by land and buildings.	\$ <u>220,000</u>
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The interest expense for the year ended December 31, 2021 was \$14,256.

NOTE E -CONDITIONAL CONTRIBUTION-PAYCHECK PROTECTION PROGRAM

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

During the year ended December 31, 2020, the Corporation applied for and received \$113,200 from the Small Business Administration (SBA)'s Paycheck Protection Program (PPP). During the year, this \$113,200 was forgiven and is recognized as income. This amount is included in "Grants" in the accompanying Statement of Activities.

NOTE F -NET ASSETS WITH DONOR RESTRICTIONS

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

Individuals with special needs	\$ <u>1,175,549</u>
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CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE G - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

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

Financial Assets	\$ 1,003,947
Less: Amounts unavailable for general expenditures within one year	0
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,003,947

NOTE H - FUNCTIONAL EXPENSES

Functional expenses for the year ended December 31, 2021 are as follows:

	Program Expenses			Supportive Services			Total
	Individuals with Special Needs	Rental Program for the Homeless	Subtotal	Management and General	Fund-raising	Subtotal	
Advertising	0	0	0	463	2,082	2,545	2,545
Bad debt	0	0	0	0	0	0	0
Bank charges	0	0	0	2,373	0	2,373	2,373
Contributions	0	0	0	961	903	1,864	1,864
Depreciation	0	162,523	162,523	0	0	0	162,523
Dues and memberships	0	5,678	5,678	1,460	0	1,460	7,138
Equipment	2,656	6,241	8,897	2,608	0	2,608	11,505
Food	25,767	0	25,767	5,711	0	5,711	31,478
Health insurance	39,578	3,037	42,615	3,187	0	3,187	45,802
Insurance	49,092	45,694	94,786	36,867	0	36,867	131,653
Interest	0	0	0	14,256	0	14,256	14,256
Meetings and travel	395	0	395	3,257	0	3,257	3,652
Occupancy	23,660	28,504	52,164	11,030	0	11,030	63,194
Other costs	0	115	115	405	0	405	520
Payroll taxes	30,489	9,420	39,909	1,108	0	1,108	41,017
Professional services	157,001	3,821	160,822	22,592	2,050	24,642	185,464
Rental assistance	318,287	0	318,287	8,854	0	8,854	327,141
Repairs and maintenance	14,888	62,553	77,441	64,890	150	65,040	142,481
Salaries	368,762	124,376	493,138	6,126	0	6,126	499,264
Supplies	19,074	2,419	21,493	11,874	1,286	13,160	34,653
Taxes and licenses	173	0	173	256	0	256	429
Telephone	14,160	0	14,160	12,996	0	12,996	27,156
Trash removal	1,652	0	1,652	216	0	216	1,868
Vehicle expenses	486	0	486	3,628	0	3,628	4,114
Total	1,066,120	454,381	1,520,501	215,118	6,471	221,589	1,742,090

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE I - INCOME TAXES

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

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

NOTE J - BOARD OF DIRECTORS' COMPENSATION

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

NOTE K - CONCENTRATION OF CREDIT RISK

As of December 31, 2021, the Corporation's cash balance consists of the following:

Cash balance, per bank statements	\$ 562,640
Less FDIC insurance	314,036
Uninsured balance	<u>\$ 248,604</u>

NOTE L - ECONOMIC DEPENDENCY

The Corporation receives a majority of its revenues from funds provided through grants administered by the City of New Orleans and other nonprofit entities. The grant amounts are appropriated each year by the federal government. If significant budget cuts are made at the federal level, the amount of the funds the organization receives could be reduced significantly and have an adverse impact on its operations.

The Corporation is supported primarily through grants from governmental agencies. Approximately 65% of the Corporation's support for the year ended December 31, 2021 came from these grants. Approximately 10% of the Corporation's assets at December 31, 2021 are receivable balances related to these grants.

NOTE M - CONTINGENCY - COVID-19

During March 2020, the World Health Organization declared the novel coronavirus (COVID-19) outbreak a global pandemic. As a result of the pandemic, economic uncertainties have arisen that could impact the Corporation's operational and financial performance. The potential impact has not been recognized in these financial statements.

SUPPLEMENTAL INFORMATION

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS

Year ended December 31, 2021

PROGRAM SERVICES

INDIVIDUALS WITH SPECIAL NEEDS

	SUPPORTIVE SERVICES	HOPWA	RYAN WHITE	OTHER	SUBTOTAL	RENTAL PROGRAM FOR THE HOMELESS	TOTAL
REVENUES							
Grants	\$129,250	\$793,068	\$324,481	\$13,000	\$1,130,549	\$ 0	\$1,259,799
Other	25,751	11,124	0	0	11,124	410,744	447,619
Total	155,001	804,192	324,481	13,000	1,141,673	410,744	\$1,707,418
EXPENSES							
Advertising	2,545	0	0	0	0	0	2,545
Bad debt	0	0	0	0	0	0	0
Bank charges	2,373	0	0	0	0	0	2,373
Contributions	1,864	0	0	0	0	0	1,864
Depreciation	0	0	0	0	0	162,523	162,523
Dues and memberships	1,460	0	0	0	0	5,678	7,138
Equipment	2,608	0	208	2,448	2,656	6,241	11,505
Food	5,711	23,767	2,000	0	25,767	0	31,478
Health insurance	3,187	31,920	7,658	0	39,578	3,037	45,802
Insurance	36,867	49,092	0	0	49,092	45,694	131,653
Interest	14,256	0	0	0	0	0	14,256
Meetings and travel	3,257	395	0	0	395	0	3,652
Occupancy	11,030	18,490	5,170	0	23,660	28,504	63,194
Other costs	405	0	0	0	0	115	520
Payroll taxes	1,108	24,638	5,851	0	30,489	9,420	41,017
Professional services	24,642	34,525	122,476	0	157,001	3,821	185,464
Rental assistance	8,854	277,706	40,581	0	318,287	0	327,141
Repairs and maintenance	65,040	13,865	1,023	0	14,888	62,553	142,481
Salaries	6,126	294,525	74,237	0	368,762	124,376	499,264
Supplies	13,160	18,358	672	44	19,074	2,419	34,653
Taxes and licenses	256	0	173	0	173	0	429
Telephone	12,996	14,160	0	0	14,160	0	27,156
Trash removal	216	1,652	0	0	1,652	0	1,868
Vehicle expenses	3,628	486	0	0	486	0	4,114
Total	221,589	803,579	260,049	2,492	1,066,120	454,381	1,742,090
Change in net assets	\$(66,588)	\$613	\$64,432	\$10,508	\$75,553	\$(43,637)	\$(34,672)

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year December 31, 2021

FEDERAL GRANTOR/PASS-THROUGH GRANTOR PROGRAM	PASS THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL CFDA NUMBER	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Funds passed through City of New Orleans	K21-643; DUNS#88-497- 3694; LAH20F001		
Housing Opportunities for Persons with Aids		14.241	\$ <u>793,068</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>793,068</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Funds passed through City of New Orleans	NOHD 18-030 BRASS #2681 K21-788		
HIV Emergency Relief Project Grants		93.914	<u>324,481</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>324,481</u>
Total expenditures of federal awards			\$ <u>1,117,549</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year December 31, 2021

A. **Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Concerned Citizens for A Better Algiers, Inc. under programs of the federal government for the year ended December 31, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.

B. **Summary of Significant Accounting Policies**

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

C. **Indirect Cost Rate**

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

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

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

For the year ended December 31, 2021

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

	<u>Purpose</u>	<u>Amount</u>
Compensation		\$ 70,001
Hospitalization		9,173
Reimbursements - various program costs		1,808
Total		<u>\$ 80,982</u>

PACIERA, GAUTREAU & PRIEST, LLC

CERTIFIED PUBLIC ACCOUNTANTS

3209 RIDGELAKE DRIVE, SUITE 200

METAIRIE, LA 70002

(504) 486-5573

FAX (504) 486-6091

www.pgpcpa.com

KIRTH M. PACIERA, C.P.A.
TIMOTHY L. PRIEST, C.P.A.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Concerned Citizens for A Better Algiers, Inc. (a nonprofit corporation) which comprise the statement of financial position as of December 31, 2021 and the related statements of activities and cash flows and for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 27, 2022.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Concerned Citizens for A Better Algiers, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Standards Auditing* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "Paciera, Gautreau & Priest, LLC". The signature is written in black ink and is positioned above the printed name of the firm.

Paciera, Gautreau & Priest, LLC
Metairie, Louisiana
June 27, 2022

PACIERA, GAUTREAU & PRIEST, LLC

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Concerned Citizens for A Better Algiers, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Concerned Citizens for A Better Algiers, Inc.'s major federal programs for the year ended December 31, 2021. Concerned Citizens for A Better Algiers, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Concerned Citizens for A Better Algiers, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Concerned Citizens for A Better Algiers, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Concerned Citizens for A Better Algiers, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Concerned Citizens for A Better Algiers, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "Paciera, Gautreau & Priest, LLC". The signature is written in black ink and is positioned above the typed name of the firm.

Paciera, Gautreau & Priest, LLC
Metairie, Louisiana
June 27, 2022

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended December 31, 2021

A. Summary of The Audit Results

Financial Statements

- | | | | |
|----|--|------------------------------|--|
| 1. | Type of auditor's report issued | Unmodified | |
| 2. | Internal control over financial reporting: | | |
| | Material weakness identified? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| | Significant deficiencies identified that are not considered to be material weaknesses? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> None noted |
| 3. | Noncompliance material to financial statements noted? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Federal Awards

- | | | | |
|----|---|---|--|
| 4. | Type of auditor's report issued on compliance for major programs | Unmodified | |
| 5. | Internal control over major programs: | | |
| | Material weakness identified? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| | Significant deficiencies identified that are not considered to be material weaknesses? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> None noted |
| 6. | Any audit findings disclosed that are required to be reported by Title 2 U.S. Code of Federal Regulations Part 200. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 7. | Identification of major programs:
CFDA #14.241
Housing Opportunities for People with Aids | | |
| 8. | Dollar threshold used to distinguish between type A and B programs: | \$750,000 | |
| 9. | Auditee qualified as low-risk auditee? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

B. Findings Related to the Financial Statements Reported in Accordance with *Government Auditing Standards* required to be reported?

Yes No

C. Findings and Questioned Costs for Federal Awards Under the Uniform Guidance required to be reported?

Yes No

D. Status of Prior Year Audit Findings? There were no prior year audit findings

CONCERNED CITIZENS FOR A BETTER ALGIERS

STATEWIDE AGREED-UPON PROCEDURES

Year Ended December 31, 2021

PACIERA, GAUTREAU & PRIEST, LLC

CERTIFIED PUBLIC ACCOUNTANTS

3209 RIDGELAKE DRIVE, SUITE 200

METAIRIE, LA 70002

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Concerned Citizens for a Better Algiers and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021, through December 31, 2021. Concerned Citizens for a Better Algiers' (Concerned Citizens) management is responsible for those C/C areas identified in the SAUPs.

The Concerned Citizens has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021, through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget
Results: No exceptions were noted as a result of applying these procedures.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
Results: No exceptions were noted as a result of applying these procedures.
 - c) ***Disbursements***, including processing, reviewing, and approving.
Results: No exceptions were noted as a result of applying these procedures.
 - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation

Concerned Citizens for a Better Algiers and the Louisiana Legislative Auditor

Page 2

with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Results: No exceptions were noted as a result of applying these procedures.

- e) ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

Results: No exceptions were noted as a result of applying these procedures.

- f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Results: No exceptions were noted as a result of applying these procedures.

- g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Results: No exceptions were noted as a result of applying these procedures.

- h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Results: No exceptions were noted as a result of applying these procedures.

- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Results: Procedures were not performed. The Louisiana Code of Ethics is not applicable to Concerned Citizens, a nonprofit entity. This is not an exception.

- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: Procedures were not performed. Concerned Citizens, a nonprofit entity, does not have debt service. This is not an exception.

- k) ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application

of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Results: No exceptions were noted as a result of applying these procedures.

- 1) *Sexual Harassment*, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: Procedures were not performed. R.S. 42:342-344 applies to public officers, employees, etc. This is not applicable to Concerned Citizens, a nonprofit entity. Concerned Citizens does have a sexual harassment policy, but it does not conform to the requirements of R.S. 42:342-344. This is not an exception.

Board or Finance Committee

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

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

Results: No exceptions were noted as a result of applying these procedures.

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

Results: This procedure does not apply to the Concerned Citizens. It is a nonprofit entity. This is not an exception.

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

Results: This procedure does not apply to the Concerned Citizens. It is a nonprofit entity. This is not an exception.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain, and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: No exceptions were noted as a result of applying these procedures.

Collections (excluding electronic funds transfers)

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

Results: No exceptions were noted as a result of applying these procedures.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Concerned Citizens for a Better Algiers and the Louisiana Legislative Auditor

Page 5

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

Results: No exceptions were noted as a result of applying these procedures.

- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.

Results: No exceptions were noted as a result of applying these procedures.

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

- a) Observe that receipts are sequentially pre-numbered.

Results: The Concerned Citizens does not use sequentially pre-numbered receipts. The Concerned Citizens has compensating controls that mitigate the underlying control risk. This is not an exception.

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

Results: The Concerned Citizens does not use sequentially pre-numbered receipts. The Concerned Citizens receives funds via ACH and deposit slips are not used. The Concerned Citizens has compensating controls that mitigate the underlying control risk. This is not an exception.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

Results: No exceptions were noted as a result of applying these procedures.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

Results: No exceptions were noted as a result of applying these procedures.

- e) Trace the actual deposit per the bank statement to the general ledger.

Results: No exceptions were noted as a result of applying these procedures.

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

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

Results: No exceptions were noted as a result of applying these procedures.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
- b) At least two employees are involved in processing and approving payments to vendors.
- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Results: No exceptions were noted as a result of applying these procedures.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.
- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results: No exceptions were noted as a result of applying these procedures.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons

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who maintained possession of the cards. Obtain management's representation that the listing is complete.

Results: No exceptions were noted as a result of applying these procedures.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
- b) Observe that finance charges and late fees were not assessed on the selected statements.

Results: No exceptions were noted as a result of applying these procedures.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results: No exceptions were noted as a result of applying these procedures.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

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

- a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Results: These procedures were not performed because Concerned Citizens for a Better Algiers did not have any per diem reimbursements. This is not an exception.

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

Results: No exceptions were noted as a result of applying these procedures.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Results: No exceptions were noted as a result of applying these procedures.

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

Results: No exceptions were noted as a result of applying these procedures.

Contracts

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

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

Results: These procedures were not performed because Concerned Citizens for a Better Algiers did not have any contracts subject to the Louisiana Public Bid Law. This is not an exception.

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

Results: No exceptions were noted as a result of applying these procedures.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment was approval documented).

Results: These procedures were not performed because Concerned Citizens for a Better Algiers did not have any contracts amended. This is not an exception.

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

Results: No exceptions were noted as a result of applying these procedures.

Payroll and Personnel

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

Results: No exceptions were noted as a result of applying these procedures.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
- b) Observe that supervisors approved the attendance and leave of the selected employees or officials.
- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Results: No exceptions were noted as a result of applying these procedures.

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

Results: No exceptions were noted as a result of applying these procedures.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results: No exceptions were noted as a result of applying these procedures.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above obtain ethics documentation from management, and:

- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
- b. Observe that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity’s ethics policy during the fiscal period, as applicable.

Results: These procedures were not performed because Concerned Citizens for a Better Algiers is a nonprofit entity. These procedures do not apply. This is not an exception.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management’s representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued.

Results: These procedures were not performed because Concerned Citizens for a Better Algiers is a nonprofit entity. These procedures do not apply. This is not an exception.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management’s representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Results: No exceptions were noted as a result of applying these procedures.

Fraud Notice

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

Results: No exceptions were noted as a result of applying these procedures.

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

Results: No exceptions were noted as a result of applying these procedures.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures and verbally discuss the results with management:

- a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
- b. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- c. Obtain a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Results: We performed the procedures and discussed the results with management. No exceptions were noted as a result of applying these procedures.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Results: Procedures were not performed. R.S. 42:342-344 applies to public officers, employees, etc. This is not applicable to Concerned Citizens, a nonprofit entity. Concerned Citizens does have a sexual harassment policy, but it does not conform to the requirements of R.S. 42:342-344. This is not an exception.

27. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

Results: Procedures were not performed. R.S. 42:342-344 applies to public officers, employees, etc. This is not applicable to Concerned Citizens, a nonprofit entity. Concerned Citizens does have a sexual harassment policy, but it does not conform to the requirements of R.S. 42:342-344. This is not an exception.

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28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344:
- a. Number and percentage of public servants in the agency who have completed the training requirements;
 - b. Number of sexual harassment complaints received by the agency;
 - c. Number of complaints which resulted in a finding that sexual harassment occurred;
 - d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e. Amount of time it took to resolve each complaint.

Results: Procedures were not performed. R.S. 42:342-344 applies to public officers, employees, etc. This is not applicable to Concerned Citizens, a nonprofit entity. Concerned Citizens does have a sexual harassment policy, but it does not conform to the requirements of R.S. 42:342-344. This is not an exception.

We were engaged by the Concerned Citizens to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation 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 engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. 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.

We are required to be independent of the Concerned Citizens and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, 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 LLA as a public document.



Paciera, Gautreau & Priest, LLC
Metairie, Louisiana
June 27, 2022