



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

March 3, 2014

CENLA COMMUNITY ACTION INC.

The Cenla Community Action Committee, an Alexandria-based social services agency, failed to assure that all assets, grant revenues, liabilities and related expenses were properly recorded in its financial statements, a condition which earned the entity a disclaimed audit opinion for the fiscal year ending March 31, 2013, according to a report released Monday by Legislative Auditor Daryl Purpera's office.

The audit, performed by Terrie L. Jackson, a Houston, Texas, certified public accountant, said "numerous errors and omissions" were found in the general ledgers – such as the omission of cash accounts.

"We believe the accounts payable are overstated in the amount of \$700,000 and Cenla was unable to reconcile these amounts," according to the report. "We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion."

The report for the state auditor said that Cenla is no longer the grant recipient for the Head Start program in Rapides Parish, a situation which will cost it more than \$7 million, or in excess of 77 percent of its total revenues. Agency officials said they have re-applied for funding of the Head Start and Early Head Start programs and reduced its staff to "come into compliance with available funds."

Auditors said Cenla operates on a 12-month fiscal year ending March 31, but lacks procedures to record revenue from different grant funds on a fiscal year basis, causing revenue totals from April 1, 2012 through March 31, 2013 to be understated.

The report said Cenla also failed to submit its annual audit to the Legislative Auditor's office within six months after the end of the fiscal year – by Sept. 30, 2013. The agency also failed to file its audit with federal agencies within nine months of the end of its fiscal year. The report said the late submission of the 2013 audit marked the second year in a row that the report was late to federal and state officials.



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Cenla officials responded that the audit report for 2012 was late because of the “abrupt resignation” of its financial manager. The 2013 audit was late, agency officials said, because of the resignation of an assistant financial manager for medical reasons and the “upheaval in our administrative office having to relocate to another facility.”

For more information, contact:

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On Twitter: Cenla CAC failed to assure that all assets, grant revenues, liabilities and related expenses were properly recorded.