

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

FINANCIAL STATEMENTS

Year Ended December 31, 2020

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of Concerned Citizens for A Better Algiers, Inc. (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities 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 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. 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.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Concerned Citizens for A Better Algiers, Inc. as of December 31, 2020, 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 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 part of the financial statements. The schedule of expenditures of federal awards, the schedule compensation, benefits, and other payments to agency head, and the schedule of activities and changes in net assets are the responsibility of management and were derived from and relate 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 whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2021, 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

The prior-period summary financial statements of Concerned Citizens for A Better Algiers, Inc. as of and for the year ended December 31, 2019, were derived from financial statements audited by other auditors whose report dated June 25, 2020, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Paciera, Gautreau & Priest, LLC
Metairie, Louisiana
June 23, 2021



CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2020

With Summarized Financial Information on December 31, 2019

ASSETS	2020	2019
Cash and cash equivalents (Note A7)	\$ <u>638,495</u>	\$ <u>480,213</u>
Receivables, net:		
Grants (Notes A4 and B)	259,967	449,383
Rents	13,289	8,660
Other	<u>21,844</u>	<u>5,750</u>
	<u>295,100</u>	<u>463,793</u>
Prepaid expenses and deposits	<u>14,243</u>	<u>28,054</u>
Total current assets	<u>947,838</u>	<u>972,060</u>
Land, buildings, and equipment, net (Note A6 and C)	<u>3,488,176</u>	<u>3,615,131</u>
Total Assets	<u>4,436,014</u>	<u>4,587,191</u>
LIABILITIES		
Accounts payable and accrued liabilities	53,665	63,134
Note payable (Note D)	220,000	220,000
Other liability (Note E)	<u>113,200</u>	<u>0</u>
Total Current Liabilities	386,865	283,134
Tenant security deposits	<u>32,395</u>	<u>31,126</u>
Total Liabilities	<u>419,260</u>	<u>314,260</u>
NET ASSETS		
Without donor restrictions	<u>4,016,754</u>	<u>4,272,931</u>
Total Liabilities and Net Assets	\$ <u>4,436,014</u>	\$ <u>4,587,191</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, 2020

With Summarized Financial Information for the Year Ended December 31, 2019

REVENUES	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2020</u>	<u>Total 2019</u>
Governmental grants	\$ 7,500	\$ 897,411	\$ 904,911	\$ 903,326
Program service fees - rent	427,035	0	427,035	423,428
Fundraising	8,662	0	8,662	23,040
Other	10,677	0	10,677	24,195
Gain on sale of real estate	0	0	0	42,373
Net assets released from restrictions	<u>897,411</u>	<u>(897,411)</u>	<u>0</u>	<u>0</u>
 Total Revenues	 <u>1,351,285</u>	 <u>0</u>	 <u>1,351,285</u>	 <u>1,416,362</u>
 EXPENSES				
Advertising	2,032	0	2,032	679
Bad debt	150	0	150	0
Bank charges	1,486	0	1,486	1,681
Contributions	1,148	0	1,148	1,955
Depreciation	162,523	0	162,523	160,963
Dues and memberships	6,790	0	6,790	5,919
Equipment	7,704	0	7,704	7,705
Food	33,810	0	33,810	38,279
Health insurance	40,368	0	40,368	39,657
Insurance	161,930	0	161,930	139,062
Interest	14,083	0	14,083	10,898
Meetings and travel	1,696	0	1,696	5,983
Occupancy	55,103	0	55,103	55,734
Other costs	2,882	0	2,882	2,776
Payroll taxes	42,243	0	42,243	42,078
Professional services	174,187	0	174,187	177,783
Rental assistance	236,226	0	236,226	173,182
Repairs and maintenance	90,561	0	90,561	71,561
Salaries	494,397	0	494,397	498,853
Supplies	43,534	0	43,534	34,221
Taxes and licenses	956	0	956	1,834
Telephone	28,030	0	28,030	26,755
Trash removal	1,514	0	1,514	1,789
Vehicle expenses	<u>4,109</u>	<u>0</u>	<u>4,109</u>	<u>2,508</u>
 Total Expenses	 <u>1,607,462</u>	 <u>0</u>	 <u>1,607,462</u>	 <u>1,501,855</u>
 Change in net assets	 (256,177)	 0	 (256,177)	 (85,493)
 Beginning net assets	 <u>4,272,931</u>	 <u>0</u>	 <u>4,272,931</u>	 <u>4,358,424</u>
 Ending net assets	 <u>\$4,016,754</u>	 <u>\$ 0</u>	 <u>\$4,016,754</u>	 <u>\$4,272,931</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, 2020

With Summarized Financial Information for the Year Ended December 31, 2019

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities		
Change in net assets	\$ (256,177)	\$ (85,493)
Adjustments to reconcile changes in net assets to net cash provided by (used for) operating activities:		
Depreciation	162,523	160,963
Gain on sale of real estate	0	(42,373)
Changes in assets and liabilities:		
(Increase) decrease in grants receivable	189,416	(155,072)
(Increase) in rents receivable	(4,629)	0
(Increase) in other receivables	(16,094)	(6,934)
(Increase) decrease in prepaid expenses	13,811	(8,381)
(Decrease) in accounts payable and accrued liabilities	(9,469)	(108)
Increase in tenant security deposits	1,269	0
Net cash provided by (used for) operating activities	<u>80,650</u>	<u>(137,398)</u>
Cash Flows from Investing Activities		
Capitalization of building costs and real estate	(35,568)	(95,370)
Proceeds from sale of real estate	0	178,199
Net Cash provided by (used for) investing activities	<u>(35,568)</u>	<u>82,829</u>
Cash Flows from Financing Activities		
Line of credit advances	0	105,000
Increase in other liabilities	113,200	0
Net Cash provided by financing activities	<u>113,200</u>	<u>105,000</u>
Net increase in cash, cash equivalents, and restricted cash	158,282	50,431
Cash, cash equivalents, and restricted cash:		
Beginning of year	<u>480,213</u>	<u>429,782</u>
End of year	<u>\$ 638,495</u>	<u>\$ 480,213</u>
Supplemental Disclosures of Cash Flow Information		
Cash paid during the year for:		
Interest	<u>\$ 14,083</u>	<u>\$ 10,898</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, 2020

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, 2020

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, 2020 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	\$ 638,495
Restricted cash for long-term purposes	<u>0</u>
Total cash, cash equivalents, and restricted cash	<u>\$ 638,495</u>

8. Estimates

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

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, 2020, the Corporation had no investments.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020

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

No amounts have been reflected in the financial statements for 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.

13. Subsequent Events

The subsequent events of the Corporation have been evaluated through June 23, 2021, 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, 2019, from which the summarized information was derived.

15. Reclassifications of Prior Year Summarized Information

Certain accounts in the prior-year summarized comparative information have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

NOTE B - GRANTS RECEIVABLE

Grants receivable at December 31, 2020 consists of amounts due from the City of New Orleans for the following programs:

Housing Opportunities for Persons with Aids (HOPWA)	\$ 163,934
Ryan W. White Part A (Ryan White)	<u>96,033</u>
	\$ <u>259,967</u>

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020

NOTE C - LAND, BUILDINGS, AND EQUIPMENT

Land, buildings, and equipment on December 31, 2020 consist of the following:

Buildings	\$ 4,829,556
Transportation equipment	27,798
Equipment	4,065
	<u>4,861,419</u>
Less accumulated depreciation	1,971,213
	<u>2,890,206</u>
Construction-in-progress	350,383
	<u>3,240,589</u>
Land	247,587
	<u>\$ 3,488,176</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, 2020 was \$2,251,441.

NOTE D-NOTE PAYABLE

Note payable on December 31, 2020 consists of the following:

Note payable to financial institution, revolving line of credit up to \$500,000 with an interest rate of 2.25% over U.S. Prime (6.25%), due August 12, 2021. Secured by land and buildings.	\$ <u>220,000</u>
The interest expense for the year ended December 31, 2020 totaled	\$ <u>14,083</u>

NOTE E -CONDITIONAL CONTRIBUTION-PAYCHECK PROTECTION PROGRAM

During the year, the Corporation applied for and received \$113,200 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.

NOTE F -NET ASSETS WITH DONOR RESTRICTIONS

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

Individuals with special needs	\$ 895,753
Preserving Historic Algiers Community Corporation	1,658
	<u>\$ 897,411</u>

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020

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	\$ 933,595
Less: Amounts unavailable for general expenditures within one year	0
Financial assets available to meet cash needs for general expenditures within one year	\$ 933,595

NOTE H - FUNCTIONAL EXPENSES

Functional expenses for the year ended December 31, 2020 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	\$ 1,857	\$ 175	\$ 2,032	\$ 2,032
Bad debt	0	150	150	0	0	0	150
Bank charges	0	0	0	1,486	0	1,486	1,486
Contributions	0	0	0	644	504	1,148	1,148
Depreciation	0	162,523	162,523	0	0	0	162,523
Dues and memberships	7	5,860	5,867	923	0	923	6,790
Equipment	1,376	1,789	3,165	4,539	0	4,539	7,704
Food	27,602	0	27,602	6,131	77	6,208	33,810
Health insurance	26,642	11,296	37,938	2,430	0	2,430	40,368
Insurance	54,211	59,621	113,832	48,098	0	48,098	161,930
Interest	0	0	0	14,083	0	14,083	14,083
Meetings and travel	28	0	28	1,668	0	1,668	1,696
Occupancy	19,466	27,932	47,398	7,705	0	7,705	55,103
Other costs	138	0	138	2,713	31	2,744	2,882
Payroll taxes	26,668	12,226	38,894	3,349	0	3,349	42,243
Professional services	164,302	690	164,992	7,135	2,060	9,195	174,187
Rental assistance	227,454	0	227,454	8,772	0	8,772	236,226
Repairs and maintenance	14,437	57,097	71,534	16,971	2,056	19,027	90,561
Salaries	318,062	152,792	470,854	23,543	0	23,543	494,397
Supplies	23,403	11,582	34,985	7,145	1,404	8,549	43,534
Taxes and licenses	150	0	150	806	0	806	956
Telephone	15,050	162	15,212	12,818	0	12,818	28,030
Trash removal	1,514	0	1,514	0	0	0	1,514
Vehicle expenses	795	0	795	3,314	0	3,314	4,109
Total	\$ 921,305	\$ 503,720	\$1,425,025	\$176,130	\$6,307	\$182,437	\$ 1,607,462

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020

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, 2020, the Corporation's cash balance consists of the following:

Cash balance, per bank statements	\$ 650,516
Less FDIC insurance	303,952
Uninsured balance	<u>\$ 346,564</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 67% of the Corporation's support for the year ended December 31, 2020 came from these grants.

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020

NOTE M – ADOPTION OF NEW ACCOUNTING STANDARDS

In May 2014, the Financial Accounting Standards Board (FASB) issued guidance (Accounting Standards Codification (ASC) 606, Revenue from Contracts with Customers) which provides a five-step analysis of contracts to determine when and how revenue is recognized and replaces most existing revenue recognition guidance in the United States of America generally accepted accounting principles. The core principle of the new guidance is that an entity should recognize revenue to reflect the transfer of goods and services to customers in an amount equal to the consideration the entity receives or expects to receive. The Corporation adopted ASC 606 with a date of the initial application of January 1, 2020.

As part of the adoption of ASC 606, the Corporation elected to use the following transition practical expedients: (1) all contract modifications that occurred prior to the date of initial application when identifying the satisfied and unsatisfied performance obligations, determining the transaction price, and allocating the transaction price have been reflected in the aggregate; and (2) ASC 606 is applied only to contracts that are not completed at the initial date of application. Because contract modifications are minimal, there is not a significant impact as a result of electing these practical expedients.

There was no change that resulted from adoption. It had no effect on Change in Net Assets, and therefore, there was no adjustment to the opening balance of Net Assets. The Corporation does not expect the adoption of the new revenue standard to have a material impact on its Change in Net Assets on an ongoing basis.

In conjunction with the adoption of ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, the Corporation changed its accounting policy for the reporting of expirations of restrictions on gifts of cash or other assets to be used to acquire or construct a long-lived asset. Previously, the Corporation had elected the option to release the donor-imposed restriction over the estimated useful life of the acquired asset. Effective January 1, 2019, absent explicit donor stipulations, the Corporation will release the donor restrictions when the asset is placed in service. As a result, the Corporation reclassified \$4,117,743 from net assets with donor restrictions to net assets without donor restrictions for long-lived assets that were placed in service at the time of the adoption of this guidance.

NOTE N – 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, 2020

PROGRAM SERVICES

	PROGRAM SERVICES					<u>TOTAL</u>
	<u>SUPPORTIVE SERVICES</u>	<u>HOPWA</u>	<u>RYAN WHITE</u>	<u>RENTAL PROGRAM FOR THE HOMELESS</u>	<u>PRESERVING HISTORIC ALGIERS COMMUNITY CORP.</u>	
REVENUES						
Grant appropriations	\$ 7,500	\$653,169	\$242,584	\$ 0	\$ 1,658	\$ 904,911
Other	17,572	15,755	0	413,047	0	446,374
Total	25,072	668,924	242,584	413,047	1,658	1,351,285
EXPENSES						
Advertising	2,032	0	0	0	0	2,032
Bad debt	0	0	0	150	0	150
Bank charges	1,486	0	0	0	0	1,486
Contributions	1,148	0	0	0	0	1,148
Depreciation	0	0	0	162,523	0	162,523
Dues and memberships	923	0	7	5,860	0	6,790
Equipment	4,539	1,247	129	1,789	0	7,704
Food	6,208	26,998	604	0	0	33,810
Health insurance	2,430	19,282	7,360	11,296	0	40,368
Insurance	48,098	54,211	0	59,621	0	161,930
Interest	14,083	0	0	0	0	14,083
Meetings and travel	1,668	24	4	0	0	1,696
Occupancy	7,705	19,466	0	27,932	0	55,103
Other costs	2,744	0	138	0	0	2,882
Payroll taxes	3,349	20,422	6,246	12,226	0	42,243
Professional services	9,195	33,525	130,777	690	0	174,187
Rental assistance	8,772	197,038	30,416	0	0	236,226
Repairs and maintenance	19,027	13,844	593	55,439	1,658	90,561
Salaries	23,543	239,451	78,611	152,792	0	494,397
Supplies	8,549	23,200	203	11,582	0	43,534
Taxes and licenses	806	0	150	0	0	956
Telephone	12,818	15,050	0	162	0	28,030
Trash removal	0	1,514	0	0	0	1,514
Vehicle expenses	3,314	795	0	0	0	4,109
Total	182,437	666,067	255,238	502,062	1,658	1,607,462
Change in net assets	\$-157,365	\$ 2,857	\$-12,654	\$-89,015	\$ 0	\$-256,177

CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year December 31, 2020

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 Housing Opportunities for Persons with Aids	HOPWA-026C	14.241	\$ <u>653,169</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>653,169</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Funds passed through City of New Orleans	NOHD 18-030 HL9149210; K19-593		
HIV Emergency Relief Project Grants		93.914	234,184
COVID-19 HIV Emergency Relief Project Grants		93.914	<u>8,400</u>
Total HIV Emergency Relief Project Grants			<u>242,584</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>242,584</u>
Total expenditures of federal awards			\$ <u>895,753</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, 2020

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, 2020. 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, 2020

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

	<u>Purpose</u>	<u>Amount</u>
Compensation		\$ 70,000
Hospitalization		7,349
Reimbursements - various program costs		662
Total		\$ <u>78,011</u>

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TIMOTHY L. PRIEST, C.P.A.

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(1958-2019)

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Concerned Citizens for A Better Algiers, Inc. (a nonprofit corporation) (the "Corporation") which comprise the statement of financial position as of December 31, 2020 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 23, 2021.

Internal Control Over Financial Reporting

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

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*.

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 blue ink that reads "Paciera, Gautreau & Priest, LLC". The signature is written in a cursive, flowing style.

Paciera, Gautreau & Priest, LLC
Metairie, Louisiana
June 23, 2021

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

We have audited Concerned Citizens for A Better Algiers, 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 Concerned Citizens for A Better Algiers, Inc.'s major federal programs for the year ended December 31, 2020. 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.

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 Concerned Citizens for A Better Algiers, 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 (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, (Uniform Guidance). Those standards and the Uniform Standards 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 Concerned Citizens for A Better Algiers, 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 Concerned Citizens for A Better Algiers, Inc.'s compliance.

Opinion on Each Major Federal Program

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, 2020.

Report on Internal Control Over Compliance

Management of Concerned Citizens for A Better Algiers, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance of requirements referred to above. In planning and performing our audit of compliance, we considered Concerned Citizens For A Better Algiers, 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 in 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 Concerned Citizens for A Better Algiers, 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.

Purpose of this Report

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

Paciera, Gautreau & Priest, LLC
Metairie, Louisiana
June 23, 2021



CONCERNED CITIZENS FOR A BETTER ALGIERS, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended December 31, 2020

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 |
| | 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 |
| 6. | Identification of major programs: | | |
| 7. | 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