

*Central Louisiana Coalition to Prevent
Homelessness, Inc.*

Alexandria, Louisiana

May 31, 2021

Central Louisiana Coalition to Prevent Homelessness, Inc.

May 31, 2021

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

Independent Auditor's Report

To the Board of Directors of
Central Louisiana Coalition to Prevent Homelessness, Inc.
Alexandria, Louisiana

We have audited the accompanying financial statements of Central Louisiana Coalition to Prevent Homelessness, Inc. (a nonprofit organization), which comprise the statements of financial position as of May 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our 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 from 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.

Rebecca B. Morris, C.P.A.
Michael A. Juneau, C.P.A.
Cindy L. Humphries, C.P.A.
Deborah R. Dunn, C.P.A.

Rebecca G. Nation, C.P.A.
Evelyn T. Renfrow, C.P.A.
Kayla G. Holloway, C.P.A.





PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
Central Louisiana Coalition to Prevent Homelessness, Inc.
Alexandria, Louisiana

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Central Louisiana Coalition to Prevent Homelessness, Inc., as of May 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles general 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 schedule of compensation, benefits, and other payments to agency head or chief executive officer is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 24, 2021, on our consideration of the Coalition'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 the Coalition's internal control over financial reporting or on compliance. That report is an integral part of a audit performed in accordance with *Government Auditing Standards* in considering the Coalition's internal control over financial reporting and compliance.

Payne, Moore & Herrington, LLP

Certified Public Accountants
Alexandria, Louisiana

August 24, 2021

Central Louisiana Coalition to Prevent Homelessness, Inc.
Statement of Financial Position
May 31, 2021

Exhibit A

Assets

Current Assets

Cash and cash equivalents	\$ 105,957
Grants receivable	97,289
Total Current Assets	<u>203,246</u>

Investments - Central Louisiana Community Foundation	3,862
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Property and Equipment - Net of Depreciation	<u>452,401</u>
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Total Assets	<u><u>\$ 659,509</u></u>
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Liabilities and Net Assets

Current Liabilities

Accrued vacation	\$ 9,924
Payroll withholdings	1,561
Unexpended funds payable	50,299
Deferred revenue	1,098
Note payable - current portion	6,677
Total Current Liabilities	<u>69,559</u>

Long-Term Liabilities

Note payable	143,295
Total Liabilities	<u>212,854</u>

Net Assets

Without donor restrictions	446,655
Total Net Assets	<u>446,655</u>

Total Liabilities and Net Assets	<u><u>\$ 659,509</u></u>
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The accompanying notes are an intergral part of the financial statements.

Central Louisiana Coalition to Prevent Homelessness, Inc.
Statement of Activities
Year Ended May 31, 2021

Exhibit B

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, Gains (Losses), and Other Support			
Grant income			
HUD	\$ -	\$ 242,190	\$ 242,190
HUD through Louisiana Housing Corporation	-	46,072	46,072
HUD through Louisiana Housing Corporation - CARES	-	201,134	201,134
Other	89,497	-	89,497
Contributions	68,344	36,977	105,321
Fundraising	1,895	-	1,895
Fees	12,542	-	12,542
Investment return, net	313	-	313
Paycheck Protection Program loan forgiveness	62,500	-	62,500
Employee Retention Credit	38,067	-	38,067
Net assets released from restrictions	526,373	(526,373)	-
Total Revenues, Gains (Losses), and Other Support	<u>799,531</u>	<u>-</u>	<u>799,531</u>
Expenses			
Program Services			
Continuum of Care			
Planning	32,197	-	32,197
Homeless Prevention	43,385	-	43,385
Coordinated Entry	85,436	-	85,436
Homeless Management Information System (HMIS)	77,734	-	77,734
Louisiana Integrated Treatment Services (LITS)	166,729	-	166,729
Outreach	139,681	-	139,681
Coronavirus Aid, Relief, and Economic Security (CARES)	252,608	-	252,608
Total Program services	<u>797,770</u>	<u>-</u>	<u>797,770</u>
Supporting Services			
Management and general	36,607	-	36,607
Total Expenses	<u>834,377</u>	<u>-</u>	<u>834,377</u>
Change in Net Assets	(34,846)	-	(34,846)
Net Assets, Beginning of Year	<u>481,501</u>	<u>-</u>	<u>481,501</u>
Net Assets, End of Year	<u>\$ 446,655</u>	<u>\$ -</u>	<u>\$ 446,655</u>

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

Central Louisiana Coalition to Prevent Homelessness, Inc.
Statement of Functional Expenses
Year Ended May 31, 2021

Exhibit C

	Program Services							Supporting Services		
	Planning	Homeless Prevention	Coordinated Entry	HMIS	LITS	Outreach	CARES	Total Program Services	Management and General	Total Expenses
Salaries and related employee benefits	\$ 19,712	\$ 23,378	\$ 73,108	\$ 57,132	\$ 70,545	\$ 77,437	\$ 88,648	\$ 409,960	\$ 5,056	\$ 415,016
Automobile	-	23	-	-	2,534	8,692	-	11,249	47	11,296
Bank charges	1	1	1	1	1	1	1	7	334	341
Buildings and grounds	1,112	1,112	1,112	1,014	1,418	1,288	5,346	12,402	449	12,851
Computer software and supplies	-	-	-	7,541	-	-	-	7,541	240	7,781
Contract labor	-	315	-	-	-	315	134,864	135,494	-	135,494
Depreciation	-	-	-	-	-	-	-	-	26,381	26,381
Dues and subscriptions	1,256	1,099	1,099	1,287	1,099	1,099	1,078	8,017	-	8,017
Fundraising	-	-	-	-	-	-	-	-	812	812
Insurance	1,280	1,280	1,280	1,280	1,280	1,280	1,280	8,960	35	8,995
Interest	779	781	778	778	778	778	778	5,450	993	6,443
Meetings	-	-	-	-	55	-	-	55	4	59
Office expense	601	619	602	679	708	1,408	1,594	6,211	757	6,968
Outreach	-	-	-	-	-	70	-	70	-	70
Participants	2	4,649	2	2	77,995	38,111	8,189	128,950	599	129,549
Professional fees	3,564	3,564	3,564	3,564	3,564	3,564	3,564	24,948	-	24,948
Telephone	3,100	3,390	3,100	3,390	4,076	3,100	5,646	25,802	900	26,702
Travel and conference	-	356	-	276	-	1,748	668	3,048	-	3,048
Utilities	790	2,818	790	790	2,676	790	952	9,606	-	9,606
Total Expenses	\$ 32,197	\$ 43,385	\$ 85,436	\$ 77,734	\$ 166,729	\$ 139,681	\$ 252,608	\$ 797,770	\$ 36,607	\$ 834,377

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

Central Louisiana Coalition to Prevent Homelessness, Inc.
Statement of Cash Flows
Year Ended May 31, 2021

Exhibit D

Cash Flows from Operating Activities

Change in net assets	\$ (34,846)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:	
Depreciation	26,381
Changes in operating assets and liabilities:	
Grants receivable	(9,967)
Accounts payable	(5,118)
Accrued vacation	1,482
Payroll withholdings	(5,459)
Unexpended funds payable	50,299
Net Cash Provided by (Used in) Operating Activities	<u>22,772</u>

Cash Flows from Investing Activities

Net Cash Provided by (Used in) Investing Activities	<u>-</u>
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Cash Flows from Financing Activities

Principal payments on long-term borrowing	(6,445)
Net Cash Provided by (Used in) Financing Activities	<u>(6,445)</u>

Net Increase (Decrease) in Cash and Cash Equivalents	16,327
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Cash and Cash Equivalents, Beginning of Year	<u>89,630</u>
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Cash and Cash Equivalents, End of Year	<u><u>\$ 105,957</u></u>
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Additional Required Disclosures:

1. Management considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents.
2. Interest paid during the year totaled \$6,443.
3. No income taxes were paid during the year.
4. There were no material noncash financing transactions during the year that affected recognized assets or liabilities.

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

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2021
Notes to Financial Statements

1. Nature of Activities and Significant Accounting Policies

Nature of Activities

The Central Louisiana Coalition to Prevent Homelessness, Inc. (the Coalition) is a nonprofit corporation located in Alexandria, Louisiana, that was formed to end homelessness in the Central Louisiana area by providing sustainable housing to homeless individuals. The mission of the Coalition is to identify, advocate, and mobilize community resources to ensure all people in Central Louisiana have access to stable homes. Program activities conducted in pursuit of this mission are described as follows:

- *CoC – The Continuum of Care (CoC)* is a federally-recognized designation for a collective impact collaboration within a community. The Coalition serves as the CoC collaborative applicant for the Central Louisiana region, a designation by the U.S. Department of Housing and Urban Development (HUD). In this role, the Coalition is responsible for submitting the community's grant applications and homelessness reports to HUD on behalf of its members for CoC and Emergency Solutions Grant Program (ESGP) funds. Direct housing and service programs under CoC include the Planning and Homeless Prevention programs.
- *Coordinated Entry – Coordinated Entry* is an effort among CoC providers to assess each homeless individual and family using a uniform and standardized process. The Coalition uses this process to ensure that all people experiencing a housing crisis have fair and equal access and are quickly identified, assessed for, referred, and connected to housing and assistance based on their severity of needs, rather than first come/first served.
- *HMIS – The Homeless Management Information System (HMIS)* is a web-based database used to track and report homelessness services and shelter stays in an effort to reduce service duplications within the community and to understand local trends in homelessness.
- *LITS Housing – Louisiana Integrated Treatment Services (LITS)* is a permanent supportive housing program that provides housing and supportive services for individuals who are considered chronically homeless with a co-occurring disability (diagnosis of a mental illness and a history of, or current, substance abuse disorder.) The goal is to assist chronically homeless individuals and families with maintaining permanent housing.
- *Outreach – The Outreach* program conducts street outreach activities to locate and identify individuals who regularly sleep unsheltered or in places not meant for human habitation. The program provides case management and support to assist individuals with locating appropriate housing and/or shelter and accessing services. The *Outreach* program also provides a one-stop homelessness resource center organized for the purpose of assisting homeless persons and families with obtaining an income, providing a hygiene center for people experiencing homelessness, and meeting some basic needs of homeless individuals to assist them with securing income and housing.
- *CARES - Coronavirus Aid, Relief, and Economic Security (CARES)* is a special allocation program funding amounts to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19.

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2021
Notes to Financial Statements

Significant Accounting Policies

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Accounting

The accompanying financial statements have been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America (GAAP). Under this method, revenues are recognized when earned and expenses are recorded at the time liabilities are incurred.

Basis of Presentation

The Coalition reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets without Donor Restrictions

Net assets without donor restrictions generally result from revenues generated by receiving contributions that have no donor-imposed restrictions and from receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions. Net assets without donor restrictions are available for use at the discretion of the Board of the Coalition and management for general operating purposes. The Board may designate a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

Net Assets with Donor Restrictions

Net assets with donor restrictions result from restrictions imposed by grant agreements and gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires. The expiration of the restriction occurs when the stipulated time restriction ends or the purpose of the restriction is accomplished. The Coalition reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets.

Some net assets with donor restrictions may include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Coalition to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board-approved spending policy. The Coalition does not have any net assets with donor restrictions that are perpetual in nature.

There were no net assets with donor restrictions at year-end.

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2021
Notes to Financial Statements

Promises to Give

As required by GAAP, unconditional promises to give are reported as revenue when the promise is made. Conditional promises to give are recognized as revenue when the necessary conditions are fulfilled.

Grants Receivable

The Coalition uses the allowance method to determine uncollectible grants receivable. In the opinion of management, grants receivable are considered entirely collectible; therefore, no allowance for uncollectibles at May 31, 2021, has been included in the statement of financial position. Furthermore, management considers the entire balance to be collectible within one year.

Investments

On December 31, 2001, the Coalition established a non-endowed agency fund at the Central Louisiana Community Foundation (the Foundation), by transferring \$1,000 into this fund. The fund is held by the Foundation for the purpose of administering funds for various charitable, cultural, educational, and scientific purposes and organizations primarily in the Central Louisiana community. These funds are not subjected to restrictions whether by donor or otherwise, nor are they required to be held permanently or for any designated purposes other than charitable purposes within the corporate powers of the Coalition. The principal and earnings may be expended in whole or in part as stated in the agreement.

Central Louisiana Coalition to Prevent Homelessness, Inc. reports all investments in marketable securities with readily determinable values and all investments in debt securities at their fair value in the statement of financial position. Investments in cash management funds are stated at cost, which approximates fair value. Net realized and unrealized gains and losses on investments are reported in the statement of activities as increases or decreases in the respective net asset classes.

The Coalition may request distribution of all or part of the principal it contributes to the fund as well as any income from the fund. The Board of the Foundation will grant such a request if it concludes that such a distribution is consistent with the charitable purposes of the fund. If the Foundation ceases to be a qualified charitable organization or if the Foundation proposes to dissolve, the assets of the fund shall be distributed to the Coalition. At that time, if the Coalition is not then a qualified charitable organization, the Foundation shall distribute the assets of the fund in a manner and to any organization serving the Central Louisiana community that satisfies the requirements of a qualified charitable organization and serves purposes similar to those of the Coalition. The investments are presented in the financial statements at fair value of \$3,862 at May 31, 2021, as reported by the Central Louisiana Community Foundation.

Property and Equipment

Property and equipment are stated at cost or, if donated, at the approximate fair market value, if material and reasonably determinable, at the time of donation. The Coalition capitalizes property and equipment if its value is \$500 or more and its useful life is more than one year. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Those lives range from 3 to 40 years. The cost of maintenance and repairs is charged to expense as incurred; however, significant maintenance and repairs that improve or extend the useful lives of the respective assets are capitalized at cost.

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2021
Notes to Financial Statements

Accrued Vacation

Vacation is earned at varying rates by qualifying full-time and part-time employees depending on length of service. Employees are allowed to carry forward a maximum of 5 to 20 days of unused vacation from the previous year, depending on their employment status (i.e., full-time or part-time). The liability at year-end is shown as a current liability in the statement of financial position. Qualifying full-time and part-time employees may also accrue up to 30 days of sick leave, but they are not paid for unused sick leave upon termination of employment. Therefore, no liability for accrued sick leave is reflected in the accompanying financial statements.

Unexpended Funds Payable

Monies approved and received from a granting agency and later determined to be unallowable expenses for the grant must be returned to the agency. Monies owed back to a granting agency are shown as unexpended funds payable under current liabilities in the statement of financial position.

Deferred Revenue

Payments for membership dues received on or before the financial statement date for subsequent membership periods are reported as deferred revenue in the statement of financial position. Payments received in advance for Homeless Management Information System (HMIS) access fees are also reported as deferred revenue in the statement of financial position. Such membership dues and HMIS access fees are recognized as revenue in the applicable membership or access period.

Revenue Recognition

The Coalition reports contributions and grants as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Coalition reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Coalition reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Funds with donor restrictions are used to differentiate the resources whose use is restricted by donors or grantors from the resources on which donors or grantors have placed no restriction or the resources that arise as a result of the operations of the Coalition for its stated purpose.

Donated Services

Volunteers are utilized extensively for both program and supporting services. Contributed services are recognized if the services require specialized skills and the Coalition would be required to purchase these services if donated services were not available. Contributed services received and recognized as revenue during the year ended May 31, 2021, in the amount of \$65 were related to labor for the Outreach program.

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2021
Notes to Financial Statements

Donated Materials and Supplies

The Coalition receives various materials and supplies which are distributed to homeless individuals. Most of the items distributed by the Coalition have little or no fair market value; however, large quantities of food and hygiene products are collected, stored, and distributed. The distribution of food and hygiene products is an important component of the Coalition's program activities. Donated materials and supplies are recorded at cost or estimated fair value determined at the date of donation.

Functional Allocation of Expenses

Costs incurred by the Coalition from providing various program and supporting services have been presented on a functional basis in the statement of functional expenses. Accordingly, costs have been allocated on a reasonable and consistent basis among the functional areas benefited. Most expenses are charged directly to program or supporting services based on specific identification. Certain categories of expenses attributable to administrative support include salaries and related employee benefits, buildings and grounds, office expense, professional fees, telephone, and utilities. These expenses are allocated based on estimates of time and effort. Expenses related to more than one function are charged to programs and supporting services using management's estimate of the activities benefited.

Advertising Costs

Advertising costs are expensed when incurred.

Tax-Exempt Status and Tax Positions

The Coalition qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and comparable Louisiana law. The Coalition is not classified as a private foundation. Since the Coalition is exempt from federal and state income tax liability, no provision is made for current or deferred income tax expense. For the year ended May 31, 2021, management of the Coalition believes it has adequate support for all material tax positions, and that it is more likely than not, based on the technical merits, that the positions will be sustained upon examination.

All tax-exempt entities are subject to review and audit by federal, state, and other applicable agencies. Such agencies may review the taxability of unrelated business income or the qualification of the tax-exempt entity under the Internal Revenue Code and applicable state statutes. With few exceptions, the Coalition is no longer subject to U.S. federal tax examinations for the years ending before May 31, 2017.

Use of Estimates

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

Subsequent Events

Management has evaluated subsequent events through August 24, 2021, the date which the financial statements were available for issue. On June 22, 2021, the Coalition received notification from First Federal Bank of Louisiana that the Coalition's Paycheck Protection Program loan of \$62,500 would be fully forgiven.

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2021
Notes to Financial Statements

2. Cash and Cash Equivalents

Cash on hand	\$ 151
Non-interest bearing checking accounts	53,798
Interest bearing money market account	<u>51,648</u>
	\$ 105,957

3. Grants Receivable

Grants receivable consisted entirely of unconditional promises to give. Details regarding the amount reported on the statement of financial position at May 31, 2021, are provided as follows:

HUD Emergency Solutions Grant (ESG) passed through Louisiana Housing Corporation	\$ 52,620
CARES Act – ESG	5,942
HUD Louisiana Integrated Treatment Services (LITS)	20,990
HUD Continuum of Care Program (CoC)	4,072
HUD Homeless Management Information System (HMIS)	6,881
United Way of Central Louisiana	5,834
Healthy Blue	<u>950</u>
	\$ 97,289

4. Donated Materials and Supplies

Donated materials and supplies received and recognized as revenue for the year ended May 31, 2021, have been included in the statement of activities as contributions in the amount of \$36,977 and fundraising income in the amount of \$1,895. Since the materials and supplies inventory on hand at year-end was not material to the financial statements taken as a whole, no amount has been reflected in the accompanying statement of financial position for the value of materials and supplies inventory at May 31, 2021.

5. Property and Equipment

Building	\$ 483,792
Furniture and equipment	67,259
Vehicles	<u>24,358</u>
Total property and equipment	575,409
Less: accumulated depreciation	<u>(123,008)</u>
Property and equipment, net of depreciation	\$ 452,401

Depreciation expense for the year ended May 31, 2021, was \$26,381.

6. Note Payable

On February 21, 2018, the Coalition entered into an installment note in the amount of \$170,131 with First Federal Bank of Louisiana with the following terms: payments of \$991, including interest at three and one-half percent (3.5%), shall be made monthly through January 21, 2023; the loan is secured by the real estate shown in Note 5; the loan matures on February 21, 2023, and a single balloon payment of \$139,149 will be due on that date.

First Federal Bank of Louisiana	\$ 149,972
Less: Current portion	<u>6,677</u>
Long-term portion	\$ 143,295

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2021
Notes to Financial Statements

Future maturities of the note payable are as follows:

Years ending <u>May 31</u>	
2022	\$ 6,677
2023	<u>143,295</u>
Total	\$ 149,972

7. Liquidity and Availability of Financial Assets

The following reflects the Coalition's financial assets as of May 31, 2021, reduced by amounts not available for general use within one year from the date of the statement of financial position because of contractual or donor-imposed restrictions or internal designations.

Financial assets:	
Cash and cash equivalents	\$ 105,597
Grants receivable, net, collected in less than one year	97,289
Investments – Central Louisiana Community Foundation	<u>3,862</u>
Financial assets at year-end	206,748
Less: those unavailable for general expenditure within one year, due to:	
Restricted by donors with purpose restrictions	<u>-</u>
Total financial assets available to meet cash needs for general expenditures within one year	\$ 206,748

The Coalition must maintain sufficient resources to meet responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Coalition's liquidity management, it structures its financial assets to be available as general expenditures, liabilities, and other obligations come due. The Coalition also invests cash in excess of daily requirements in short term investments such as money market accounts. In addition, the Coalition operates with a balanced budget and anticipates covering its general expenditures by collecting sufficient revenues, and by utilizing donor-restricted resources from current year contributions and grant funds.

8. Employee Retention Credit

On November 13, 2020, the Coalition received a payment through the Internal Revenue Service in the amount of \$38,067 as part of the Employee Retention Credit established by section 2301 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Employee Retention Credit is a fully refundable tax credit for employers equal to fifty percent of qualified wages that eligible employers pay their employees.

9. Paycheck Protection Program Loan Forgiveness

On January 21, 2021, the Coalition obtained a loan through First Federal Bank of Louisiana in the amount of \$62,500 as provided for by the Paycheck Protection Program established by section 1102 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. On June 22, 2021, the Coalition received a letter from First Federal Bank of Louisiana, in accordance with Section 1106 of the CARES Act, SBA has remitted the full amount of the loan.

Central Louisiana Coalition to Prevent Homelessness, Inc.
May 31, 2021
Notes to Financial Statements

10. Conditional Promises to Give

The Coalition is the recipient of U.S. Department of Housing and Urban Development (HUD) and Louisiana Housing Corporation (LHC) funds, both of which are available on a cost reimbursement basis. Based on the terms of the grant agreements, the HUD and LHC awards are not considered revenue until expenses qualifying for reimbursement are incurred. Accordingly, the unexpended portions of HUD and ESG awards are considered to be conditional promises to give. At May 31, 2021, conditional promises to give from HUD and ESG awards were \$39,308 and \$152,794, respectively.

11. Related Party Transactions

One of the Coalition's board members is the vice president of business development at First Federal Bank of Louisiana, which is the bank that Coalition has their note payable and PPP loan through. The total owed to First Federal Bank of Louisiana at May 31, 2021 is \$149,972 and the total paid during the year was \$12,888.

12. Contingent Liabilities

Under the terms of federal and state grants, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Any disallowed claims, including amounts already collected, could become a liability of the Coalition. The Coalition's management believes disallowances, if any, will not be material.

13. Significant Concentrations

Credit Risk

The Coalition maintains its cash balances with financial institutions in the Central Louisiana area. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC). As provided under the FDIC, interest-bearing and non-interest-bearing deposit accounts and money market accounts are insured up to \$250,000. There were no uninsured cash balances at May 31, 2021.

The Coalition's investment in the Central Louisiana Community Foundation of \$3,862 is uninsured.

Funding Sources

The U.S. Department of Housing and Urban Development (HUD) provided \$489,396 in grants during the year ended May 31, 2021, which is approximately sixty-nine percent (62%) of total revenue and support. Without these grants, programs would be significantly affected.

Supplementary Information

**Central Louisiana Coalition to Prevent Homelessness, Inc.
Schedule of Compensation, Benefits, and Other Payments
to Agency Head or Chief Executive Officer
Year Ended May 31, 2021**

Schedule 1

Joseph Buzzetta, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary and related payroll taxes	\$ 65,432
Benefits - Insurance	<u>5,358</u>
Total	<u>\$ 70,790</u>

See independent auditor's report.

**Other Report Required by
*Government Auditing Standards***

**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***



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

**Independent Auditor's Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based
on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

To the Board of Directors of
Central Louisiana Coalition to Prevent Homelessness, 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 Central Louisiana Coalition to Prevent Homelessness, Inc. (Coalition) (a nonprofit organization), which comprise the statement of financial position as of May 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 24, 2021.

Internal Control Over Financial Reporting

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

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

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

Rebecca B. Morris, C.P.A.
Michael A. Juneau, C.P.A.
Cindy L. Humphries, C.P.A.
Deborah R. Dunn, C.P.A.

Rebecca G. Nation, C.P.A.
Evelyn T. Renfrow, C.P.A.
Kayla G. Holloway, C.P.A.





PAYNE, MOORE & HERRINGTON, LLP

**To the Board of Directors of
Central Louisiana Coalition to Prevent Homelessness, Inc.**

Compliance and Other Matters

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

Purpose of this Report

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

Payne, Moore & Herrington, LLP

Certified Public Accountants
Alexandria, Louisiana

August 24, 2021

**Central Louisiana Coalition to Prevent Homelessness, Inc.
Schedule of Findings and Responses
Year Ended May 31, 2021**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	_____ Yes <u> x </u> No
Significant deficiency identified not considered to be a material weakness?	_____ Yes <u> x </u> None reported
Noncompliance material to financial statements noted?	_____ Yes <u> x </u> No
Management's Corrective Action Plan	Not applicable
Management's Summary Schedule of Prior Audit Findings	Not applicable
Memorandum of Other Comments and Recommendations	None issued

Federal Awards – Not applicable

Section II - Financial Statement Findings

Not Applicable.

Section III – Federal Award Findings and Questioned Costs

Not Applicable.