

THE CHURCH UNITED FOR COMMUNITY DEVELOPMENT

(A NOT FOR PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

CONTENTS

	<u>Page</u>
<u>Independent Accountants' Review Report</u>	1
<u>Financial Statements</u>	
Statements of Financial Position	2
Statements of Activities	3
Statement of Functional Expenses - Year Ended December 31, 2013	4
Statement of Functional Expenses - Year Ended December 31, 2012	5
Statements of Cash Flows	6
Notes to Financial Statements	7 - 12
Independent Accountants' Report on Applying Agreed Upon Procedures	13-15
Louisiana Attestation Questionnaire	16-17

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors
The Church United for Community Development
St. Amant, Louisiana

We have reviewed the accompanying statements of financial position of The Church United for Community Development, (a nonprofit organization), as of December 31, 2013 and 2012, and the related statements of activities, functional expenses, and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Postlethwaite & Netterville

Gonzales, Louisiana
June 19, 2014

THE CHURCH UNITED FOR COMMUNITY DEVELOPMENT
(A NOT FOR PROFIT ORGANIZATION)
St. Amant, Louisiana

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2013 AND 2012

	2013	2012
<u>ASSETS</u>		
Current Assets		
Cash and cash equivalents	\$ 77,762	\$ 50,725
Contractual reimbursements receivable	8,398	15,445
Accounts receivable-other	233,681	83,214
Prepaid expenses	291	291
Total current assets	320,132	149,675
Fixed Assets		
Land, buildings and equipment, net	836,568	794,183
TOTAL ASSETS	\$ 1,156,700	\$ 943,858
 <u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities		
Accounts payable	\$ 1,184	\$ 15,607
Accrued expenses	10,356	-
Current portion of long-term debt	39,338	18,905
Total current liabilities	50,878	34,512
Long-term debt less current maturities	321,179	341,646
TOTAL LIABILITIES	372,057	376,158
UNRESTRICTED NET ASSETS	784,643	567,700
TOTAL LIABILITIES AND NET ASSETS	\$ 1,156,700	\$ 943,858

See accompanying notes and independent accountants' review report.

THE CHURCH UNITED FOR COMMUNITY DEVELOPMENT
(A NOT FOR PROFIT ORGANIZATION)
St. Amant, Louisiana

STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
<u>UNRESTRICTED NET ASSETS</u>		
<u>REVENUES AND OTHER SUPPORT</u>		
Public contributions	\$ 1,739	\$ 2,247
Contractual federal governmental support	236,341	292,229
United works	891,813	854,551
Other income	47,528	41,405
In kind contributions	7,800	30,000
Interest income	440	-
Rental income	-	150
	1,185,661	1,220,582
 <u>EXPENSES</u>		
Program services		
Transitional Housing	901,954	987,699
Community Outreach	20,537	113,505
Low Income Housing	9,726	11,182
After-School Abstinence Program	1,179	-
Employment Training	2,371	29,458
HUD Permanent Housing	22,834	23,176
Total program services	958,601	1,165,020
Supporting services and other expenses		
Management and general	10,117	35,258
Total expenses	968,718	1,200,278
Loss on sale	-	120,973
Total expenses and losses	968,718	1,321,251
Change in net assets	216,943	(100,669)
Net assets at beginning of year	567,700	668,369
Net assets at end of year	\$ 784,643	\$ 567,700

See accompanying notes and independent accountants' review report.

THE CHURCH UNITED FOR COMMUNITY DEVELOPMENT
(A NOT FOR PROFIT ORGANIZATION)
St. Amant, Louisiana

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2013

	Program Services						Total Program Services	Support Services	Total
	Transitional Housing	Community Outreach	Low Income Housing	After-School Abstinence	Employment Training	HUD Permanent Housing		Management and General	
Salaries and Related Expenses									
Salaries and wages	254,536	\$ -	\$ -	\$ -	\$ -	\$ 9,690	\$ 264,226	\$ -	\$ 264,226
Payroll taxes	19,626	-	-	-	-	741	20,367	-	20,367
Total salaries and related expenses	274,162	-	-	-	-	10,431	284,593	-	284,593
Other Expenses									
Audit	15,700	-	-	-	-	-	15,700	-	15,700
Donations	-	-	-	-	-	-	-	-	-
Repairs and maintenance	54,868	2,167	-	-	-	975	58,010	242	58,252
Supplies	4,457	-	-	-	-	607	5,064	-	5,064
Utilities	21,760	5,263	-	-	-	2,911	29,934	389	30,323
Telephone	4,970	-	-	-	-	-	4,970	-	4,970
Gasoline	41,752	2,820	-	-	-	-	44,572	-	44,572
Food	29,643	-	832	-	-	-	30,475	934	31,409
Insurance	94,954	-	-	1,179	-	4,932	101,065	(8,682)	92,383
Job materials	57,903	121	-	-	-	85	58,109	-	58,109
Contract labor	59,860	-	-	-	-	-	59,860	-	59,860
Benefits	4,320	-	-	-	-	-	4,320	-	4,320
Emergency assistance	902	-	-	-	-	-	902	-	902
Equipment rental	56,544	-	-	-	-	-	56,544	-	56,544
Equipment purchased	24,561	-	-	-	-	-	24,561	-	24,561
Gifts	5,204	-	-	-	-	-	5,204	101	5,305
Interest	1,380	-	7,841	-	-	-	9,221	13,062	22,283
Program expenses	81,587	5,321	80	-	-	1,775	88,763	2,385	91,148
Rent	20,761	-	-	-	-	-	20,761	-	20,761
Travel	10,885	-	183	-	-	-	11,068	-	11,068
ITA accounts	-	-	-	-	-	-	-	-	-
Other	613	50	250	-	-	-	913	323	1,236
Total other expenses	592,624	15,742	9,186	1,179	-	11,285	630,016	8,754	638,770
Total Expenses Before Depreciation	866,786	15,742	9,186	1,179	-	21,716	914,609	8,754	923,363
Depreciation of buildings and equipment	35,168	4,795	540	-	2,371	1,118	43,992	1,363	45,355
Total Expenses	\$ 901,954	\$ 20,537	\$ 9,726	\$ 1,179	\$ 2,371	\$ 22,834	\$ 958,601	\$ 10,117	\$ 968,718

See accompanying notes and independent accountants' review report.

THE CHURCH UNITED FOR COMMUNITY DEVELOPMENT
(A NOT FOR PROFIT ORGANIZATION)
St. Amant, Louisiana

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2012

	Program Services					Total Program Services	Support Services	Total
	Transitional Housing	Community Outreach	Low Income Housing	Employment Training	HUD Permanent Housing		Management and General	
Salaries and Related Expenses								
Salaries and wages	201,052	\$ 24,880	\$ -	\$ 12,589	\$ 9,409	\$ 247,930	\$ -	\$ 247,930
Payroll taxes	15,562	1,903	-	963	719	19,147	-	19,147
Total salaries and related expenses	216,614	26,783	-	13,552	10,128	267,077	-	267,077
Other Expenses								
Audit	5,383	-	-	-	-	5,383	-	5,383
Donations	-	-	-	-	-	-	6,999	6,999
Repairs and maintenance	54,864	188	-	-	488	55,540	35	55,575
Supplies	1,464	532	-	84	598	2,678	139	2,817
Utilities	16,972	-	1,693	-	2,846	21,511	199	21,710
Telephone	4,928	-	-	-	-	4,928	-	4,928
Gasoline	30,894	1,025	138	-	-	32,057	5,951	38,008
Food	31,353	198	34	175	-	31,760	551	32,311
Insurance	50,620	6,847	-	464	4,770	62,701	-	62,701
Job materials	98,194	718	49	-	455	99,416	727	100,143
Contract labor	328,795	160	-	1,980	-	330,935	1,657	332,592
Benefits	8,760	150	-	1,320	-	10,230	-	10,230
Emergency assistance	9,661	-	-	-	-	9,661	-	9,661
Equipment Rental	14,669	-	129	-	1,225	16,023	2,430	18,453
Gifts	8,275	8,233	-	-	-	16,508	63	16,571
Interest	618	4,783	8,085	-	-	13,486	13,072	26,558
Program expenses	60,023	19,888	254	8,362	1,429	89,956	-	89,956
Rent	147	38,611	-	-	-	38,758	-	38,758
Travel	8,455	84	-	898	-	9,437	50	9,487
ITA accounts	(1,900)	-	-	-	-	(1,900)	-	(1,900)
Other	-	-	203	-	-	203	1,877	2,080
Total other expenses	732,175	81,417	10,585	13,283	11,811	849,271	33,750	883,021
Total Expenses Before Depreciation	948,789	108,200	10,585	26,835	21,939	1,116,348	33,750	1,150,098
Depreciation of buildings and equipment	38,910	5,305	597	2,623	1,237	48,672	1,508	50,180
Total Expenses	\$ 987,699	\$ 113,505	\$ 11,182	\$ 29,458	\$ 23,176	\$ 1,165,020	\$ 35,258	\$ 1,200,278

See accompanying notes and independent accountants' review report.

THE CHURCH UNITED FOR COMMUNITY DEVELOPMENT
(A NOT FOR PROFIT ORGANIZATION)
St. Amant, Louisiana

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$ 216,943	\$ (100,669)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	45,355	50,180
Loss on sale of assets	-	120,973
Decrease in contract reimbursements receivable	7047	4,554
(Increase) decrease in accounts receivable	(150,467)	63,562
Decrease in accounts payable	(14,423)	(71,475)
(Decrease) increase in accrued liabilities	10,356	(2,280)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>114,811</u>	<u>64,845</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from sale of assets	-	138,204
Purchases of equipment	(87,740)	(315,180)
NET CASH USED BY INVESTING ACTIVITIES	<u>(87,740)</u>	<u>(176,976)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Proceeds from long-term debt	21,534	265,000
Payments on long-term debt	(21,568)	(188,041)
NET CASH (USED) PROVIDED BY FINANCING ACTIVITIES	<u>(34)</u>	<u>76,959</u>
 Net (increase) decrease in cash and cash equivalents	 27,037	 (35,172)
Cash and cash equivalents at beginning of year	<u>50,725</u>	<u>85,897</u>
Cash and cash equivalents at end of year	<u>\$ 77,762</u>	<u>\$ 50,725</u>
 Supplemental Data		
Interest paid	<u>\$ 14,442</u>	<u>\$ 26,558</u>

See accompanying notes and independent accountants' review report.

THE CHURCH UNITED FOR COMMUNITY DEVELOPMENT
(A NOT FOR PROFIT ORGANIZATION)
St. Amant, Louisiana

NOTES TO FINANCIAL STATEMENTS

1. **Nature of Activities and Summary of Significant Accounting Policies**

A. **Nature of Activities.** The Church United for Community Development is a nonprofit Organization organized under the laws of the State of Louisiana to partner with government, schools, businesses, and community organizations to improve the quality of life for its citizens by building strong families, providing education and training and teaching integrity, character, and leadership. It operates principally in Ascension Parish, Louisiana.

Program services are supported through allocations received from contractual governmental support and grants which amounted to \$236,341 and \$292,229 for the years ended December 31, 2013 and 2012, respectively. This amounted to 20% and 22% of total support and revenue excluding in-kind contributions for the years ended December 31, 2013 and 2012, respectively. While the Organization depends on contractual governmental support and in kind contributions, future operating results are not contingent solely on the Organization's continuing ability to secure contracts and grants. United Works is a program designed by the Organization to provide general contracting services in the area.

A summary of the Organization's significant accounting policies follows.

B. **Public Support and Revenue.** The financial statements are prepared on the accrual basis of accounting. Financial statements presentation follows the guidance included in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under ASC, non-profit organizations are required to report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

1. ***Unrestricted Net Assets*** are net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.
2. ***Temporarily Restricted Net Assets*** are net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. There are no temporarily restricted assets recorded in these financial statements.
3. ***Permanently Restricted Net Assets*** are net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes. There are no permanently restricted assets recorded in these financial statements.

C. **Expenses.** Program services expenses are the direct and indirect costs related to accomplishing the Organization's objectives. Supporting services are expenses for activities not directly related to the purpose for which the organization exists.

D. **Functional Allocation of Expenses.** The cost of providing various programs and supporting services have been reported on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the various programs and supporting services based on estimates made by management.

THE CHURCH UNITED FOR COMMUNITY DEVELOPMENT
(A NOT FOR PROFIT ORGANIZATION)
St. Amant, Louisiana

NOTES TO FINANCIAL STATEMENTS

1. **Nature of Activities and Summary of Significant Accounting Policies (continued)**

- E. **Cash and Cash Equivalents.** For purposes of reporting the statements of cash flows, the Organization includes all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less as cash and cash equivalents.
- F. **Accounts Receivable.** Accounts receivable are stated at the amount management expects to collect from outstanding balances. Receivables are considered uncollectible if payments are not received with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivables when management determines the receivable will not be collected.
- G. **Concentration of Credit Risk.** The Organization maintains cash in bank deposit accounts at various financial institutions. The balances, at times, may exceed federally insured limits. At December 31, 2013, the Organization's bank balance was fully insured by FDIC limits.
- H. **Recognition of Contractual Reimbursements from State Government.** The Organization receives most of its program support from federal and state government. The program recovers its costs on a contracted basis based on approved budgets. Revenues are recognized when services are performed.
- I. **Income Taxes.** The Organization accounts for income taxes in accordance with income tax accounting guidance included in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

The Church United for Community Development is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Therefore, the Organization has not recorded a provision for income taxes in the accompanying financial statements and the Organization does not have any uncertain tax positions. The Organization files a federal income tax return under U.S. federal jurisdiction. With few exceptions, the Organization is no longer subject to U.S. federal examinations by tax authorities for the year before 2010.

- J. **Land, Buildings, and Equipment.** Expenditures for the acquisition of land, buildings, and equipment are capitalized at cost. The fair value of donated furniture and equipment is similarly capitalized. Depreciation is computed by the straight line method over the following useful lives:

Buildings	30 - 40 years
Transportation equipment	5 years
Improvements	15 years
Other equipment	3 - 10 years

THE CHURCH UNITED FOR COMMUNITY DEVELOPMENT
(A NOT FOR PROFIT ORGANIZATION)
St. Amant, Louisiana

NOTES TO FINANCIAL STATEMENTS

1. **Nature of Activities and Summary of Significant Accounting Policies (continued)**

K. **Estimates.** The preparation of financial statements in conformity with generally accepted accounting principles requires the Organization's management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

L. **Donated Services and Non-Cash Assets.** A significant portion of the Organizations functions are conducted by unpaid board members and volunteers. The value of this contributed service is not reflected in the accompanying financial statements since the volunteers' service does not meet the criteria necessary for recognition. Contributions of donated non-cash assets are recorded at their fair values when received.

M. **Reclassification.** Certain reclassifications have been made to the 2012 financial statements to conform to the 2013 presentation.

2. **Contractual Reimbursements Receivable**

	<u>2013</u>	<u>2012</u>
U.S. Department of Social Services	\$ 4,403	\$ 9,779
U.S. Department of Housing and Urban Development	3,995	5,666
	<u>\$ 8,398</u>	<u>\$ 15,445</u>

3. **Land, Building, and Equipment**

	<u>2013</u>	<u>2012</u>
Buildings	\$ 800,626	\$ 784,126
Equipment	308,839	237,599
Rental Property	38,500	38,500
Vehicles	48,202	48,202
Land	5,000	5,000
Construction in Progress	5,929	5,929
Total	<u>1,207,096</u>	<u>1,119,356</u>
Accumulated Depreciation	<u>(370,528)</u>	<u>(325,173)</u>
Net Book Value	<u>\$ 836,568</u>	<u>\$ 794,183</u>

THE CHURCH UNITED FOR COMMUNITY DEVELOPMENT
(A NOT FOR PROFIT ORGANIZATION)
St. Amant, Louisiana

NOTES TO FINANCIAL STATEMENTS

4. Long-Term Debt

Long-term debt as of December 31, 2013 and 2012 consisted of the following:

	2013	2012
Note payable to bank, due in March 2018, payable in monthly installments of \$432.69 including interest at 7.5%, secured by equipment.	\$ 18,966	\$ -
Note payable to an individual, due in April 2026, payable in monthly installments of \$2,165.27 including interest at 5.50%, secured by building and land.	231,383	244,254
Note payable to bank, due in April 2016, payable in monthly installments of \$1,153.20 including interest at 6.5%, secured by building and land.	110,168	116,297
Total	360,517	360,551
Less: current maturities	(39,338)	(18,905)

Aggregate maturities require on long term debt at December 31, 2013 are as follows:

2014	\$	39,338
2015		21,598
2016		111,332
2017		16,030
2018		16,934
Thereafter		155,286
	\$	360,517

THE CHURCH UNITED FOR COMMUNITY DEVELOPMENT
(A NOT FOR PROFIT ORGANIZATION)
St. Amant, Louisiana

NOTES TO FINANCIAL STATEMENTS

5. **Program Services**

- A. ***Transitional Housing.*** The Church United for Community Development operates a half way house for men in Gonzales called the "Ascension House." The program is designed to help men get reacquainted into society after being incarcerated or because of addiction to drugs or alcohol. The program teaches fathering skills, financial management, literacy, job skills, and life skills. As part of the operation of the "Ascension House" the Organization opened a thrift store to provide supplemental funding and employment for the residents. In addition, the Organization received partial funding from the Department of Housing and Urban Development to build and operate a multi-family housing unit in Gonzales, Louisiana. The Organization used third party contributions to finance the remainder of the project. It was opened in December, 2006 and there are four units that will house homeless or near homeless individuals or families for up to twenty four months.
- B. ***Community Outreach.*** The Organization raises money from a variety of private sources to be used for community outreach programs. A weekly food distribution is done at various sites, transportation is provided to job sites, court and life skill classes, utility, doctor and hospital bills are paid for needy individuals and missionaries receive support from the Organization.
- C. ***Low Income Housing.*** The Organization has purchased and remodeled homes to rent or sell to low income families. As of December 31, 2013, there are two trailers that are being rented.
- D. ***After-School Abstinence Program.*** The Organization developed an after-school program for low-income African American and Hispanic youth. The program is designed to educate participants, parents, and the community on the benefits of abstinence and to create an environment within the community to support their decision to remain abstinent until marriage. The program is currently functioning in four locations in Louisiana high schools and junior high schools which are: Donaldsonville, Gonzales, Baton Rouge, and St. Francisville. There are no ethnicity or income level requirements within the St. Francisville program.
- E. ***Employment Training.*** The Organization also operates a "Prisoner Release Initiative Program" (PRI). The program is designed to provide educational and vocational job training and job placement, to teach parenting and character development, to improve family connections, and to increase the percentage of fathers who are supporting their children financially.
- F. ***HUD Permanent Housing Project.*** The Organization received partial funding from the Department of Housing and Urban Development to build and operate a multi-family housing unit in Gonzales, Louisiana. The Organization used third party contributions to finance the remainder of the project. The construction for a four unit housing building was completed and opened in 2008. The new building will be organized as a permanent housing situation for individuals or families.

THE CHURCH UNITED FOR COMMUNITY DEVELOPMENT
(A NOT FOR PROFIT ORGANIZATION)
St. Amant, Louisiana

NOTES TO FINANCIAL STATEMENTS

6. **Contributors and Related Party Transactions**

The Organization is a diverse coalition of organizations including governmental, businesses, schools, faith-based organizations and community agencies.

7. **Subsequent Events**

Management has evaluated subsequent events through June 19, 2014, the date on which the financial statements were available to be issued and determined that the following event occurred that required disclosure.

On April 23, 2014, the equipment loan in the amount of \$18,966 was paid in full.

SUPPLEMENTARY INFORMATION

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

Board of Directors
The Church United for Community Development
St. Amant, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Church United for Community Development, the Legislative Auditor, State of Louisiana, and applicable state grantor agency solely to assist the users in evaluating management's assertions about the Church United for Community Development's, compliance with certain laws and regulations during the year ended December 31, 2013, included in the accompanying *Louisiana Attestation Questionnaire*. Management of the Church United for Community Development is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

- Determine the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Federal Grant	Grant Year	CFDA No.	Amount
LA Emergency Shelter Grant Program for the Homeless	2011	14.231	\$16,684
LA Emergency Shelter Grant Program for the Homeless	2013	14.231	\$66,950
McKinney-Vento Homeless Assistance Competition	2012	14.235	\$101,101
Supporting Housing Program-HUD Permanent	2012	14.235	\$21,606
Huey and Angelina Wilson Foundation	2013		\$30,000

2. For each federal, state, and local award, randomly select six disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.
3. For the items selected in procedures 2, trace the six disbursements to supporting documentation as to the proper amount and payee.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, determine if the six disbursements are properly coded to the correct fund and general ledger account.

All six of the payments were properly coded to the correct fund and general ledger account. Payments were properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, determine whether the six disbursements received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the program director and executive director.

6. For the items selected in procedure 2: for federal awards, determine whether the disbursements complied with the applicable specific program compliance requirements summarized in the Compliance Supplement or contained in the grant agreement, if the program is not included in the Compliance Supplement and for the state and local awards, determine whether the disbursements comply with the grant agreement, relating to:

Activities allowed or un-allowed

We reviewed the previously listed disbursements for types of services allowed or not allowed. All checks comply with the allowability requirements.

Eligibility

We reviewed the previously listed disbursements for eligibility requirements noting agreement.

Reporting

We reviewed the previously listed disbursements for reporting requirements.

7. For the programs selected for testing in procedure 2 that had been closed out during the period under review, compare the close-out report, when required, with the agency's financial records to determine whether the amounts agree.

Two federal programs were closed out during the period of our review. We compared the close-out reports for these two federal programs with the agency's financial records. The amounts reported on the close-out reports agreed to the agency's financial records.

Open Meetings

8. Examine evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law).

All meeting, as they relate to public funds, have been properly posted.

Budget

9. For all grant exceeding five thousand dollars, determine that each applicable federal, state, or local grantor agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Appropriate budgets have been provided as listed above.

Prior Comments and Recommendations

10. Review any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

No prior year suggestions, recommendations were noted.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Church United for Community Development, the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



June 19, 2014

LOUISIANA ATTESTATION QUESTIONNAIRE

Postlethwaite & Netterville, APAC
326 E. Cornerview
Gonzales, LA 70737

In connection with the review of our financial statements as of December 31, 2013, and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, we make the following representation to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to make these representations.

These representations are based on the information available to us, The Church United for Community Development, as of June 19, 2014.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes No

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes No

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes No

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and un-allowed, and reporting and budget requirements.

Yes No

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law).

Yes No

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes No

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [X] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

_____	Secretary	_____	Date
_____	Treasurer	_____	Date
_____	President	6-20-2014	Date