

Crescent City WIC Services, Inc.

Financial Report

Year Ended December 31, 2013

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PEDELAHORE & CO., LLP
Certified Public Accountants

Independent Accountant's Review Report

To the Board of Directors
Crescent City WIC Services, Inc.
Gretna, Louisiana

We have reviewed the accompanying statement of assets, liabilities and net assets – modified cash basis of Crescent City WIC Services, Inc. (a nonprofit organization) as of December 31, 2013, and the related statement of revenues and expenses and change in net assets – modified cash basis for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization 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 the modified cash basis of accounting 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 the modified cash basis of accounting as described in Note 1.

This report is intended solely for the information and use of the Board of Directors of Crescent City WIC Services, Inc. and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties.



June 12, 2014

Crescent City WIC Services, Inc.
Statement Of Assets, Liabilities And Net Assets
Modified Cash Basis
December 31, 2013

Assets

Current Assets

Cash	\$ 107,761
Total current assets	<u>107,761</u>

Property And Equipment

Office furniture and equipment	11,255
Less: accumulated depreciation	<u>8,031</u>
	<u>3,224</u>
	<u>\$ 110,985</u>

Liabilities And Net Assets

Net Assets

Unrestricted	<u>110,985</u>
	<u>\$ 110,985</u>

See accompanying notes and independent accountant's review report.

Crescent City WIC Services, Inc.
Statement Of Revenues And Expenses And Change In Net Assets
Modified Cash Basis
For The Year Ended December 31, 2013

Support And Revenue

Program fees	\$ 444,120
Donations	2,087
	446,207

Expenses

Salaries and wages	219,880
Rent	48,750
Contract labor	23,407
Payroll tax expense	16,821
Insurance	16,067
Telephone expense	8,054
Office expense	7,664
Janitorial service and supplies	7,019
Travel expense	5,643
Professional fees	5,457
PHAME expense	4,730
Utilities	4,068
Meals and entertainment	3,371
Special events	3,122
Medical supplies	2,811
Depreciation	2,174
Repairs and maintenance	1,887
General administrative expense	1,834
Equipment rental	1,783
Security	1,739
Automobile expense	1,615
Seminar and training	1,385
Miscellaneous	975
Uniforms	925
Postage	673
	391,854

Increase In Net Assets	54,353
Net Assets, Beginning Of Year	56,632
Net Assets, End Of Year	\$ 110,985

See accompanying notes and independent accountant's review report.

Crescent City WIC Services, Inc.
Notes To Financial Statements
Year Ended December 31, 2013

Note 1. Summary Of Significant Accounting Policies

Nature of Business

Crescent City WIC Services, Inc. (the Organization) is a nonprofit organization. The Organization is primarily engaged in providing services for The Special Supplemental Nutrition Program for Women, Infant and Children (LA WIC Program); which includes: determining eligibility for program participation; conducting nutrition risk assessment; providing nutrition education; developing nutrition care plans; issuing food instruments for use in exchange for supplemental foods; training and monitoring WIC vendors.

Cash Equivalents

The Organization considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Property and Equipment

Property and equipment are stated at historical cost. Depreciation and amortization of property and equipment is provided utilizing accelerated methods. Depreciation expense for the December 31, 2013 was \$2,174.

Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

Program Fees

Program Fees are recorded as received.

Basis of accounting

The financial statements are reported using the modified cash basis of accounting. The Organization records revenues when received and records expenses and purchases of assets when paid.

Crescent City WIC Services, Inc.
Notes To Financial Statements
Year Ended December 31, 2013

Note 1. Summary Of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with the modified cash basis requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Organization is a tax-exempt organization under Internal Revenue Code Section 501(c)(3) and, as such, is not subject to income taxes.

The Organization has adopted *FASB ASC 740-10, "Accounting for Uncertainty in Income Taxes."* Using that guidance, as of December 31, 2013, the Organization believes it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Also, the Organization's federal and state tax returns are subject to possible examination by the taxing authorities until the expiration of the related statutes of limitation on those returns. In general, both the federal and state tax returns have a three year statute of limitations.

Financial Statement Presentation

The Organization follows the Not-For-Profit topic of the FASB Accounting Standards Codification with respect to financial statement presentation. Under this topic, the Organization is required to report information regarding its financial position and activities according to the three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Note 2. Related Party Transactions

The Organization conducts its operations from facilities rented from Crescent City Coders, LLC and shares in overhead expenses. The Organization's Executive Director also owns Crescent City Coders, LLC. The Organization reimburses Crescent City Coders approximately 50% of the operating expenses each month, or \$5,000 for December 31, 2013. Rental paid to Crescent City Coders, LLC totaled \$48,750 in 2013.

Crescent City WIC Services, Inc.
Notes To Financial Statements
Year Ended December 31, 2013

Note 3. Concentration

The Organization has one major customer, LA WIC Program, which represents approximately 99% of the total receipts.

Note 4. Management's Review

Management of the Organization has evaluated the events and transactions for potential recognition or disclosure through June 12, 2014, the date the financial statements were available to be issued.

PEDELAHORE & CO., LLP
Certified Public Accountants

Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Directors
Crescent City WIC Services, Inc.
Gretna, Louisiana

We have performed the procedures included in the Louisiana *Governmental Audit Guide* as enumerated below, which were agreed to by the management of Crescent City WIC Services, Inc., the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the specified parties in evaluating management's assertions about Crescent City WIC Services, Inc.'s compliance with certain laws and regulations during the year ended December 31, 2013, included in the accompanying *Louisiana Attestation Questionnaire*. Management of Crescent City WIC Services, Inc. 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 parties of this 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.

Our procedures and findings are as follows:

State Awards

1. Determine the amount of state award expenditures for the fiscal year, by grant and grant year.

Crescent City WIC Services, Inc.'s state award expenditures for all state programs for the fiscal year follow:

<u>State Grant Name</u>	<u>Grant Year</u>	<u>CFDA No.</u>	<u>Amount</u>
State of Louisiana – WIC Program	2013	N/A	<u>\$444,120</u>
Total Expenditures			<u>\$444,120</u>

2. Since award amounts are unrestricted and commingled with other funds, we randomly selected six disbursements from the check register.
3. We traced 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. We traced the six disbursements to the general ledger to determine proper coding.
No exceptions
5. We tested the six disbursements for proper approval from authorized individuals.
No exceptions
6. For items selected in Procedure 2: For federal awards, determine whether the disbursements compiled 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 state and local awards, determine whether the disbursements comply with the grant agreement, relating to:

Activities Allowed or Unallowed:

We reviewed the grant agreement for restrictions on the use of funds. All disbursements selected were within requirements of the grant.

Eligibility:

We reviewed the grant agreement for eligibility requirements. All disbursements selected were eligible.

Reporting:

We reviewed the grant agreement for reporting requirements. No exceptions were noted.

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.
This section was not applicable for this review period.

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 meeting law).
The entity is not a public body as defined by LA Supreme Court's four factor test; (and as more recently opined by the Louisiana Attorney General's three factor test); therefore it is not subject to the open meetings law requirement.

Budget

9. For all grants exceeding five thousand dollars, determine that each applicable federal, state, or local grantor agency/agency was provided with a comprehensive budget of those grants that include the purpose and duration, and for state grants included specific goals and objective and measures of performance.
The Organization provided a budget which met the requirements of the grantor agency.

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.
All prior-year findings have been resolved.

We were not engaged to perform, and did not perform, and 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 Crescent City WIC Services, Inc., and 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.

A handwritten signature in black ink, appearing to read "Paul Cholet". The signature is written in a cursive, somewhat stylized font.

June 12, 2014

Crescent City WIC Services, Inc.
Summary Schedule Of Prior And Current Year Findings With Management's
Response And Planned Corrective Action
Year Ended December 31, 2013

Prior Year Findings:

Section I – Review Procedures

Finding 2012-1 and 2: State Reporting

Criteria: Louisiana state audit law (R.S. 24:513) requires that governmental and quasi-public entities complete and file their audit, review/attestation or compilation reports with the Legislative Auditor's office within six months of the close of the entity's fiscal year.

Condition: The Organization did not meet the reporting and filing due date of June 30, 2013.

Status: Findings 2012-1 and 2012-2 resolved.

Current Year Findings:

Section I – Review Procedures

None

Section II – Agreed-Upon Procedures

None

Section III – Management Letter

None issued

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

June 11, 2014 (Date Transmitted)

Pedelahore & Co. LLP
1010 Common St., Ste 2100
New Orleans, LA 70112
(Auditors)

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

These representations are based on the information available to us as of (date of completion/representation).

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 unallowed, 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). Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://app1.la.state.la.us/lala.nsf>, to determine whether a non-profit agency is subject to the open meetings law.

Yes No N/A

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 [] 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.

<u>Deonka Marjani</u>	Secretary	<u>6/13/2014</u>	Date
<u>Deonka Marjani</u>	Treasurer	<u>6/13/2014</u>	Date
<u>Marys. Schutler</u>	President	<u>6/13/14</u>	Date