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**Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana**

**Financial Statements With Auditors' Report**

**As of and for the years ended December 31, 1999 and 1998  
With Supplemental Information Schedules**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date JUL 19 2000

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana

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## Independent Auditors' Report

To the Board of Directors  
Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana

We have audited the accompanying statements of financial position of Ouachita Multi-Purpose Community Action Program, Inc. (a nonprofit organization) as of December 31, 1999 and 1998, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Ouachita Multi-Purpose Community Action Program, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ouachita Multi-Purpose Community Action Program, Inc. as of December 31, 1999 and 1998, and the changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 5, 2000 on our consideration of Ouachita Multi-Purpose Community Action Program, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Ouachita Multi-Purpose Community Action Program, Inc. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The accompanying supplemental schedules shown on pages 14–15, are presented for the purpose of additional analysis and are not a required part of the financial statements of Ouachita Multi-Purpose Community Action Program, Inc. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

The accompanying supplemental schedules, listed as "Supplemental Information Schedules Prepared For Grants and Contracts Analysis" in the table of contents and shown on pages 17–26, are presented for the purpose of providing various funding sources of Ouachita Multi-Purpose Community Action Program, Inc. additional individual grant and contract analysis and are not a required part of the financial statements. The information is prepared on a prescribed basis of the various funding sources of Ouachita Multi-Purpose Community Action Program, Inc., and certain schedules are for periods other than the organization's fiscal year. These schedules are not presented in accordance with generally accepted accounting principles. Accordingly, the schedules mentioned previously on pages 17–26 are not intended to present financial position and results of operations in conformity with generally accepted accounting principles. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and in our opinion are fairly stated on the basis of accounting practices prescribed by the various funding sources.



Cook and Morehart  
Certified Public Accountants  
May 5, 2000

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Statements of Financial Position  
 December 31, 1999 and 1998

Assets	<u>1999</u>	<u>1998</u>
Current assets:		
Cash	\$ 160,430	\$ 133,872
Grant receivables	633,058	497,670
Account receivable-other		7,234
Due from other funds	29,449	43,062
Total current assets	<u>822,937</u>	<u>681,838</u>
Property and equipment:		
Property and equipment	2,177,857	2,061,697
Accumulated depreciation	(1,391,179)	(1,233,053)
Net property and equipment	<u>786,678</u>	<u>828,644</u>
<b>Total Assets</b>	<b><u><u>\$ 1,609,615</u></u></b>	<b><u><u>\$ 1,510,482</u></u></b>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 411,168	\$ 300,201
Accrued liabilities	32,588	35,983
Due to other funds	29,449	43,062
Current portion of long-term debt	17,203	18,101
Refundable advances	163,201	142,821
Total current liabilities	<u>653,609</u>	<u>540,168</u>
Long-term debt	<u>28,534</u>	<u>52,555</u>
Total liabilities	<u>682,143</u>	<u>592,723</u>
Net assets:		
Unrestricted:		
Operating	20,631	24,949
Designated for specific programs	165,900	134,822
Fixed assets	<u>740,941</u>	<u>757,988</u>
Total net assets	<u>927,472</u>	<u>917,759</u>
<b>Total liabilities and Net Assets</b>	<b><u><u>\$ 1,609,615</u></u></b>	<b><u><u>\$ 1,510,482</u></u></b>

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

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Statements of Activities  
 For the Years Ended December 31, 1999 and 1998

	Unrestricted	
	1999	1998
Revenues and Other Support:		
Contractual revenue - grants	\$ 4,494,951	\$ 4,434,677
Miscellaneous revenues	11,107	20,845
Total revenues and other support	4,506,058	4,455,522
Expenses:		
Head start program	3,254,142	3,083,399
Child and adult care food program	364,892	324,071
Summer child care program	158,574	248,750
Community services block grant	380,827	344,548
Home Energy assistance	249,186	417,113
Project independence	60,615	54,186
Commodities distribution	12,154	9,826
Housing counseling	6,469	5,966
Other general services	9,486	9,022
Total expenses	4,496,345	4,496,881
Changes in net assets	9,713	(41,359)
Net assets, beginning of year	917,759	959,118
Net assets, end of year	\$ 927,472	\$ 917,759

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

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Statements of Cash Flows  
 For the Years Ended December 31, 1999 and 1998

	1999	1998
<b>Operating Activities</b>		
Change in net assets	\$ 9,713	\$ (41,359)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	166,897	187,955
(Increase) decrease in operating assets:		
Grant receivables	(135,388)	(161,167)
Accounts receivable - other	7,234	(5,484)
Increase (decrease) in operating liabilities		
Accounts payable	110,967	19,668
Accrued liabilities	(3,395)	24,271
Refundable advances	20,380	65,030
Net cash provided by operating activities	176,408	88,914
<b>Investing Activities</b>		
Payments for property and equipment	(124,931)	(74,365)
Net cash used in investing activities	(124,931)	(74,365)
<b>Financing Activities</b>		
Repayments of long-term debt	(24,919)	(20,419)
Net cash used in financing activities	(24,919)	(20,419)
<b>Net increase in cash</b>	26,558	(5,870)
<b>Cash as of beginning of year</b>	133,872	139,742
<b>Cash as of end of year</b>	\$ 160,430	\$ 133,872

**Supplemental disclosures:**

Cash paid for interest in 1999 and 1998 was \$5,003 and \$6,987, respectively.

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



Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Notes to Financial Statements  
December 31, 1999 and 1998

(1) Summary of Significant Accounting Policies

A. Nature of Activities

Ouachita Multi-Purpose Community Action Program, Inc. (OMCAP) is a private nonprofit corporation incorporated under the laws of the State of Louisiana. OMCAP is governed by a Board of Directors composed of members from Ouachita Parish. OMCAP operates as a community action agency administering various federal and state funded programs designed to provide assistance to the poor and disadvantaged in Ouachita Parish in Louisiana. The following programs, with their approximate percentage of total revenues indicated, are administered by OMCAP:

**Head Start Program (72%)** – Provides comprehensive early child development for disadvantaged and handicapped preschool children and their families. Funding is provided by federal funds from the U.S. Department of Health and Human Services.

**Child and Adult Care Food Program (9%)** – Provides a food service program in coordination with the Head Start Program. Funding is provided by federal funds passed through the Louisiana Department of Education.

**Summer Child Care Program (4%)** – Provides quality child care during the summer months to children identified by the Head Start Program. Funding is provided by federal funds passed through Louisiana Department of Social Services.

**Community Services Block Grant (8%)** – Administers programs designed to provide services and activities that will have a measurable impact on causes of poverty in the community. Funding is provided by federal funds passed through the Louisiana Department of Labor.

**Low-Income Home Energy Assistance Program (6%)** – Assists low income households to offset the burden of high energy costs. Funding is provided by federal funds passed through the Louisiana Department of Social Services.

**Project Independence Program (1%)** – Provides transportation services to eligible participants. Funding is provided by federal and state funds from the Louisiana Department of Social Services.

**Commodities Distribution (.2%)** – Provides distribution of U.S.D.A. donated commodities to eligible persons in the community. Funding is provided by federal funds passed through the Louisiana Department of Agriculture and Forestry.

(Continued)

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Notes to Financial Statements  
December 31, 1999 and 1998  
(Continued)

**Housing Counseling Services** – Includes a full range of services, advice, and assistance to housing consumers to assist them in improving their housing conditions and meeting the responsibilities of homeownership and tenancy. Funding is provided by federal funds from the U.S. Department of Housing and Urban Development.

**Ouachita Council of Governments (OCOG) (.1%)** – Accounts for quarterly reimbursements received from the Ouachita Council of Governments for general agency operations.

**General Services (.2%)** – Provides payment of necessary agency expenses not specifically attributable to a grant/contract operated by the agency. Funding is provided by various donations.

**B. Basis of Accounting**

The financial statements of OMCAP have been prepared on the accrual basis of accounting.

**C. Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**D. Income Taxes**

OMCAP is a nonprofit corporation and is exempt from state and federal income taxes under Section 501 (c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to OMCAP's tax-exempt purpose is subject to taxation as unrelated business income. OMCAP had no such income for this audit period.

**E. Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

(Continued)

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Notes to Financial Statements  
December 31, 1999 and 1998  
(Continued)

F. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, OMCAP considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

G. Property and Equipment

Acquisitions of buildings, equipment, and improvements and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. Capitalized assets are stated at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of each asset.

The Federal Government has a reversionary interest in property purchased with federal funds. Its disposition as well as the ownership of any proceeds therefrom is subject to federal regulations. The use of assets purchased with federal funds is limited to the purposes intended by the funding agency.

H. Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contractual grant revenue is reported as unrestricted support due to the restrictions placed on those funds by the funding sources being met in the same reporting period as the revenue is earned.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

I. Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

(Continued)

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Notes to Financial Statements  
 December 31, 1999 and 1998  
 (Continued)

(2) Concentrations of Credit Risk

OMCAP maintains its temporary cash investments with financial institutions that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000 at each bank. At December 31, 1999 and 1998, total cash balances held at financial institutions was \$355,063 and \$529,341, respectively. Of this amount, \$335,321 and \$390,079, respectively, was secured by FDIC and the remaining \$19,742 and \$139,262, respectively, was unsecured.

Concentrations of credit risk with respect to grant receivables were limited due to the balance being comprised of amounts due from governmental agencies under contractual terms. As of December 31, 1999 and 1998, OMCAP had no significant concentrations of credit risk in relation to grant receivables.

(3) Grant Receivables

Various funding sources provide reimbursement of allowable costs under contracts or agreements. These balances represent amounts due from the funding sources at December 31, 1999 and 1998 but not received until after those dates.

(4) Due To and Due From Other Funds

The following schedule represents amounts due to and due from other funds at December 31, 1999 and 1998:

Fund	1999		1998	
	Due From Other Funds	Due To Other Funds	Due From Other Funds	Due To Other Funds
Head Start Program -				
from Child and Adult Care Program	\$ -	\$ 8,052	\$ 7,820	\$ 7,159
Project Independence	3,686	-	3,672	222
Community Services Block Grant	9,032	2,049	-	18,895
Child and Adult Care Food Program	2,474	-	-	8,361
Low-Income Home Energy Assistance Program	-	3,484	-	3,483
Commodities Distribution	-	947	-	447
Ouachita Council of Governments	5,144	-	4,644	-
General Services	9,113	14,917	26,926	4,495
	<u>\$ 29,449</u>	<u>\$ 29,449</u>	<u>\$ 43,062</u>	<u>\$ 43,062</u>

(Continued)

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Notes to Financial Statements  
 December 31, 1999 and 1998  
 (Continued)

(5) Property and Equipment

Property and equipment consisted of the following at December 31, 1999:

	Estimated Depreciable Life	Purchased With Federal Funds	Purchased With Non-Federal Funds	Total
Land		\$ 33,500	\$ 19,500	\$ 53,000
Buildings	20-30 years	712,935	-	712,935
Furniture and equipment	5 - 7 years	1,399,504	12,418	1,411,922
Accumulated depreciation		( 1,378,761)	( 12,418)	(1,391,179)
<b>Net investment in plant</b>		<b><u>\$ 767,178</u></b>	<b><u>\$ 19,500</u></b>	<b><u>\$ 786,678</u></b>

Depreciation expense for the year ended December 31, 1999 was \$166,897.

Property and equipment consisted of the following at December 31, 1998:

	Estimated Depreciable Life	Purchased With Federal Funds	Purchased With Non-Federal Funds	Total
Land		\$ 33,500	\$ 19,500	\$ 53,000
Buildings	20-30 years	711,563	-	711,563
Furniture and equipment	5 - 7 years	1,284,716	12,418	1,297,134
Accumulated depreciation		( 1,220,635)	( 12,418)	(1,233,053)
<b>Net investment in plant</b>		<b><u>\$ 809,144</u></b>	<b><u>\$ 19,500</u></b>	<b><u>\$ 828,644</u></b>

Depreciation expense for the year ended December 31, 1998 was \$187,955.

(Continued)

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Notes to Financial Statements  
 December 31, 1999 and 1998  
 (Continued)

(6) Refundable Advances

OMCAP records federal funds received in excess of expenditures as a refundable advance until they are expended for the purpose of the contract or until the funds are returned to the appropriate funding source.

(7) Contractual Revenue – Grants

During the year ended December 31, 1999 and 1998, OMCAP received contractual revenue from federal and state grants in the amount of \$4,494,951 and \$4,434,677, respectively. The continued existence of these funds is based on annual contract renewals with various funding sources.

(8) Retirement Plan

OMCAP participates in a tax sheltered annuity whereby an amount equal to 6% of the salary of eligible employees is contributed to the plan. OMCAP amended its plan effective January 1, 1999, increasing the agency's contribution to 7%. The amount contributed by OMCAP for the year ended December 31, 1999 and 1998 was \$146,552 and \$108,138, respectively.

(9) Long-term Debt

Long-term debt at December 31, 1999 and 1998 consists of the following:

	<u>1999</u>	<u>1998</u>
Note payable to a business, due in monthly installments of \$1,795.54 including interest 8.0%, secured by a building; final payment due May 2002	\$ 45,737	\$ 61,291
Note payable to a bank, due in monthly installments of \$369.43, including interest at 8.4%, secured by land; final payment due April 2001		9,365
Less current installments on long-term debt	<u>(17,203)</u>	<u>( 18,101)</u>
Non-current portion of long-term debt	<u>\$ 28,534</u>	<u>\$ 52,555</u>

(Continued)

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Notes to Financial Statements  
 December 31, 1999 and 1998  
 (Continued)

Approximate maturities of long-term debt are summarized as follows:

<u>For the Year Ending December 31,</u>	<u>Approximate Amount</u>
2000	\$ 17,203
2001	19,987
2002	<u>8,547</u>
	<u>\$ 45,737</u>

Interest expense paid on these notes for the years ended December 31, 1999 and 1998 was \$5,003 and \$6,987, respectively.

(10) Unrestricted Operating Net Assets

Unrestricted operating net assets totaling \$24,949 and \$24,949 for 1999 and 1998, respectively, are detailed by individual program as follows:

	<u>1999</u>	<u>1998</u>
Ouachita Council of Governments	\$ 10,327	\$ 10,731
Community Services Block Grant	(857)	(857)
Commodities Distribution	(75)	
General Services	<u>11,236</u>	<u>15,075</u>
	<u>\$ 20,631</u>	<u>\$ 24,949</u>

(11) Unrestricted Designated Net Assets

As of December 31, 1999 and 1998, the unrestricted designated net assets consisted of funds designated to be used only for the operations of the following programs:

	<u>1999</u>	<u>1998</u>
Child Adult Care Food Program	\$ 135,795	\$ 72,028
Food Distribution		1,554
Housing Counseling	24,226	30,277
Project Independence	<u>5,879</u>	<u>30,963</u>
	<u>\$ 165,900</u>	<u>\$ 134,822</u>

(Continued)

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Notes to Financial Statements  
December 31, 1999 and 1998  
(Continued)

(12) Commodities Distribution

The expenses shown as commodities distribution represent certain costs to distribute the commodities. The value of the commodities distributed was approximately \$57,186 for 1999 and \$41,157 for 1998. The value of the commodities distributed is not reflected in the accompanying financial statements.

(13) Leases

The agency leases certain buildings under operating leases. The rental costs on these items for the year ended December 31, 1999 and 1998, were \$13,155 and \$9,550, respectively. There were no commitments under lease agreements having initial or remaining non-cancelable terms in excess of one year as of December 31, 1999.



Quachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Combining Schedule of Financial Position  
 December 31, 1999

	Head Start Program	Child & Adult Care Food Program	Summer Child Care Program	Community Services Block Grant	Home Energy Assistance	Project Independence	Commodities Distribution	Housing Counseling	OCO	General	Total
<b>Assets</b>											
Current assets:											
Cash	\$ 4,651	\$ (3,937)	\$ 67,918	\$ (1,773)	\$ 17,084	\$ 1,856	\$ 1,014	\$ 24,226	\$ 5,183	\$ 44,208	\$ 160,430
Grant receivables	414,997	138,394		10,000	68,822	845					633,058
Due from other funds		2,474		9,032	3,586	3,586			5,144	9,113	29,449
Total current assets	<u>419,648</u>	<u>136,931</u>	<u>67,918</u>	<u>17,259</u>	<u>85,906</u>	<u>6,387</u>	<u>1,014</u>	<u>24,226</u>	<u>10,327</u>	<u>53,321</u>	<u>822,937</u>
Property and equipment:											
Property and equipment	2,004,871	29,056		46,182	2,135	58,493	3,114	2,088		31,918	2,177,857
Accumulated depreciation	(1,277,407)	(14,761)		(39,584)	(2,135)	(40,890)	(3,114)	(870)		(12,418)	(1,391,179)
Net property and equipment	<u>727,464</u>	<u>14,295</u>		<u>6,598</u>		<u>17,603</u>		<u>1,218</u>		<u>19,500</u>	<u>786,678</u>
Total Assets	<u>\$ 1,147,112</u>	<u>\$ 151,226</u>	<u>\$ 67,918</u>	<u>\$ 23,857</u>	<u>\$ 85,906</u>	<u>\$ 23,990</u>	<u>\$ 1,014</u>	<u>\$ 25,444</u>	<u>\$ 10,327</u>	<u>\$ 72,821</u>	<u>\$ 1,609,615</u>
<b>Liabilities and Net Assets</b>											
Current liabilities											
Accounts payable	329,538			1,115	74,420					6,095	411,168
Accrued liabilities	9,558	1,136			171	508	142			21,073	32,588
Due to other funds	8,052			2,049	3,484		947			14,917	29,449
Current portion long-term debt	17,203										17,203
Refundable advances	72,500		67,918	14,952	7,831						163,201
Total current liabilities	<u>436,851</u>	<u>1,136</u>	<u>67,918</u>	<u>18,116</u>	<u>85,906</u>	<u>508</u>	<u>1,089</u>			<u>42,085</u>	<u>653,609</u>
Long-term debt	28,534										28,534
Net assets:											
Unrestricted:											
Operating				(857)			(75)		10,327	11,236	20,631
Designated for specific programs		135,795				5,879		24,226			165,900
Fixed assets	681,727	14,295		6,598	17,603	17,603		1,218		19,500	740,941
Total net assets	<u>681,727</u>	<u>150,090</u>		<u>5,741</u>		<u>23,482</u>	<u>(75)</u>	<u>25,444</u>	<u>10,327</u>	<u>30,736</u>	<u>927,472</u>
Total Liabilities and Net Assets	<u>\$ 1,147,112</u>	<u>\$ 151,226</u>	<u>\$ 67,918</u>	<u>\$ 23,857</u>	<u>\$ 85,906</u>	<u>\$ 23,990</u>	<u>\$ 1,014</u>	<u>\$ 25,444</u>	<u>\$ 10,327</u>	<u>\$ 72,821</u>	<u>\$ 1,609,615</u>

Cuachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Combining Schedule of Activities  
For the Year Ended December 31, 1999

	Head Start Program	Child & Adult Care Food Program	Summer Child Care Program	Community Services Block Grant	Home Energy Assistance	Project Independence	Commodities Distribution	Housing Counseling	OCOg	General	Total
Revenues and Other Support											
Contractual revenue-grants	\$ 3,247,155	\$ 423,695	\$ 158,574	\$ 378,049	\$ 248,559	\$ 24,609	\$ 10,202	\$	\$ 4,108	\$ 10,501	\$ 4,494,951
Miscellaneous revenues				354	236		16				11,107
Total revenues and other support	3,247,155	423,695	158,574	378,403	248,795	24,609	10,218		4,108	10,501	4,506,058
Expenses:											
Salaries	1,796,946	149,500	110,639	215,993	3,777	24,024	6,060				2,306,939
Fringe Benefits	436,342	32,390	14,302	46,266	1,117	5,200	2,374				537,991
Travel	63,045	525		8,472	209		125			461	72,837
Occupancy	135,301	797	18,983	27,669							182,750
Telephone	38,578			12,021							50,599
Insurance	60,302			5,326		3,178					68,806
Vehicle Operation	78,893			72		10,757					89,722
Supplies and postage	276,516	12,038	7,134	14,616	1,650	82	159		1,209		313,404
Equipment Expenses			7,516	2,857			1,901				12,274
Professional services	89,530	1,446		3,996	946	338					96,256
Food and related supplies	29,520	161,284									190,804
Field Trips	567										567
Training	72,211										72,211
Miscellaneous	24,722	1,948		4,262	66	6,114	1,228		3,303	3,707	45,350
Client assistance payments				36,853	241,030						277,883
Interest	4,197									806	5,003
Counseling								6,052			6,052
Depreciation	147,472	4,964		2,424	391	10,922	307	417			166,897
Total expenses	3,254,142	364,892	158,574	380,827	249,186	60,615	12,154	6,469	4,512	4,974	4,496,345
Change in net assets	(6,987)	58,803		(2,424)	(391)	(36,006)	(1,936)	(6,469)	(404)	5,527	9,713
Net assets, as of beginning of year	688,714	91,287		8,165	391	59,488	1,861	31,913	10,731	25,209	917,759
Net assets as of end of year	\$ 681,727	\$ 150,090	\$	\$ 5,741	\$	\$ 23,482	\$ (75)	\$ 25,444	\$ 10,327	\$ 30,736	\$ 927,472

**Supplemental Information Schedules Prepared  
For Grants and Contracts Analysis**

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Head Start Grant No. 06CH5175/33  
 U.S. Department of Health and Human Services  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 For the Contract Period: January 1, 1999 to December 31, 1999

	Budget	Actual	COB Balances Current Year
Revenues			
Federal share awarded this period	\$ 3,292,972	\$ 3,292,972	
Grantee's contribution	823,243	811,789	
Total revenue	4,116,215	4,104,761	
Expenditures:			
Head Start program			
Personnel	2,023,681	1,796,946	226,735
Fringe benefits	518,266	436,342	81,924
Travel	47,500	52,849	(5,349)
Equipment	58,879	58,879	
Supplies	140,000	333,115	(193,115)
Contractual	39,000	24,236	14,764
Other	465,646	544,788	(79,142)
	3,292,972	3,247,155	45,817
Grantee's share	823,243	811,789	
Total all expenditures	\$ 4,116,215	4,058,944	
Revenue over (under) expenditures		45,817	
Fund balance, beginning January 1, 1999		101,536	
Reprogrammed grant #06CH5175/31		(8,704)	
Reprogrammed grant #06CH5175/32		(66,379)	
Fund balance, ending December 31, 1999		\$ 72,270	
Fund balance analysis:			
Revenues over expenditures grant #06CH5175/26		\$ 106,767	
Reprogrammed from grant #06CH5175/26		(113,440)	
Revenues over expenditures grant #06CH5175/32		99,505	
Reprogrammed from grant #06CH5175/32		(66,379)	
Revenues over expenditures grant #06CH5175/33		45,817	
Fund Balance, December 31, 1998		\$ 72,270	

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Child and Adult Care Food Program  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Contract Period: October 1, 1998 to September 30, 1999

Revenue

Contract revenue	\$	423,678
		423,678
Total revenue		423,678

Expenditures:

Personnel		142,944
Fringe benefits		28,988
Travel		525
Audit		2,421
Office supplies, postage and telephone		304
Food purchases		160,966
Nonfood supplies		10,877
Equipment expense		4,660
Miscellaneous		5,725
		357,410
Total expenditures		357,410

Excess revenue (expenditures)		66,268
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Fund balance, October 1, 1998		34,481
		34,481

Fund balance, September 30, 1999	\$	100,749
		100,749

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Department of Social Services  
 Office of Family Support  
 Summer Child Care Program .  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Period: January 1, 1999 to December 31, 1999

Revenue

Contract revenue	\$	206,960
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Total revenue		<u>206,960</u>
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Expenditures:

Salaries		110,639
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Fringe benefits		14,302
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Supplies		7,134
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Operating services		18,983
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Other expenses		<u>7,516</u>
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Total expenditures		<u>158,574</u>
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Excess revenue (expenditures)		48,386
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Fund balance, January 1, 1999		<u>19,532</u>
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Fund balance, December 31, 1999	\$	<u><u>67,918</u></u>
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Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Community Services Block Grant  
 Department of Labor  
 Contract No. 99N0027  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 For the Contract Period: January 1, 1999 to December 31, 1999

	Budget	Actual	Actual (Over) Under Budget
Revenues:			
Contract revenue		\$ 393,000	
Program Income		\$ 354	
Total revenue		<u>393,354</u>	
Expenditures:			
Administration			
Salaries	112,943	108,565	4,378
Fringe benefits	27,106	27,006	100
Travel	5,500	4,856	644
Other support costs	26,876	26,811	65
Total administration	<u>172,425</u>	<u>167,238</u>	<u>5,187</u>
Program Activities:			
Salaries	115,579	107,428	8,151
Fringe benefits	20,827	19,260	1,567
Travel	4,200	3,616	584
Other support costs	44,000	44,008	(8)
Emergency services	59,802	35,090	24,712
Total program activities	<u>244,408</u>	<u>209,402</u>	<u>35,006</u>
Commodity food and nutrition	1,767	1,763	4
Total expenditures	<u>\$ 418,600</u>	<u>378,403</u>	<u>\$ 40,197</u>
Excess revenues (expenditures)		14,951	
Fund balance, January 1, 1999		(856)	
Fund Balance, December 31, 1999		<u>\$ 14,095</u>	
Funds returned February 25, 2000		\$ 14,951	

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Low Income Home Energy Assistance Program  
 Contract No. 528394  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 For the Contract Period: January 1, 1999 to December 31, 1999

	Budget	Actual	Actual (Over) Under Budget
Revenues:			
Contract revenue		\$ 234,737	
Miscellaneous revenue		236	
Total revenue		234,973	
Expenditures:			
Administrative	\$ 14,489	7,765	\$ 6,724
Direct services	193,195	241,030	(47,835)
	\$ 207,684	248,795	\$ (41,111)
Excess revenues (expenditures)		(13,822)	
Fund balance, beginning January 1, 1999		21,653	
Fund balance, ending December 31, 1999		\$ 7,831	



Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Project Independence  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Period: January 1, 1999 to December 31, 1999

Revenue:

Grant revenue	\$	24,609
		24,609
Total revenue		24,609

Expenditures:

Salaries		24,024
Fringe benefits		5,200
Liability insurance		3,178
Vehicle expense		10,758
Other		6,533
		49,693
Total expenditures		49,693

Excess revenue (expenditures)		(25,084)
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Fund balance, January 1, 1999		30,963
		30,963

Fund balance, December 31, 1999	\$	5,879
		5,879

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Temporary Emergency Food Assistance  
 Commodities Distribution  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Contract Period: January 1, 1999 to December 31, 1999

Revenue:

Contract revenue	\$	10,202
Interest income		16
		10,218
Total revenue		10,218

Expenditures:

Salaries		6,060
Fringe benefits		2,374
Travel		125
Supplies		158
Equipment		200
Other		2,929
		11,846
Total expenditures		11,846

Excess revenue (expenditures)		(1,628)
Fund balance, January 1, 1999		1,553
Fund balance, December 31, 1999	\$	(75)

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Housing Counseling  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Period: January 1, 1999 to December 31, 1999

Revenue:

Grant revenue		\$	
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Expenditures:

Counseling			6,051
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Total expenditures			6,051
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Excess revenue (expenditures)			(6,051)
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Fund balance, January 1, 1999			30,278
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Fund balance, December 31, 1999		\$	24,227
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Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Ouachita Council of Governments  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
For the Period: January 1, 1999 to December 31, 1999

Revenue:

Grant revenue	\$ 4,108
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Expenditures:

Miscellaneous	4,512
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Total expenditures	4,512
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Excess revenue (expenditures)	(404)
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Fund balance, January 1, 1999	10,731
-------------------------------	--------

Fund balance, December 31, 1999	\$ 10,327
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Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 General Services  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Period: January 1, 1999 to December 31, 1999

Revenue:

Miscellaneous	\$	10,501
		10,501
Total revenue		10,501

Expenditures:

Miscellaneous		4,975
		4,975
Total expenditures		4,975

Excess revenue (expenditures)		5,526
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Fund balance, January 1, 1999		25,210
		25,210

Fund balance, December 31, 1999	\$	30,736
		30,736

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended December 31, 1999

<u>Federal Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
<u>U.S. Department of Health and Human Services</u>			
Direct Program:			
Head Start (Fy 12-31-99)	93.600	06CH5175/33	3,247,155
Passed through Louisiana Department of Labor Community Services Block Grant (Fy 12-31-99)	93.569	99N0027	378,403
Passed through Louisiana Department of Social Services, Office of Community Services Low-Income Home Energy Assistance Program - Energy (Fy 12-31-99)	93.568	528394	248,795
Passed through Louisiana Department of Social Services, Office of Family Support Project Independence	93.561	Unknown	24,847
Summer Child Care Program	93.561	Unknown	<u>158,574</u>
Total U.S. Department of Health and Human Services			<u>4,057,774</u>

(Continued)

Ouachita Multi-Purpose Community Action Program, Inc.  
 Monroe, Louisiana  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended December 31, 1999

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
<u>U.S. Department of Agriculture</u>			
Passed through Louisiana Department of Education			
Child and Adult Care Food Program (Head Start) (Fy 9-30-99)	10.558	Unknown	274,669
Child and Adult Care Food Program (Head Start) (Fy 9-30-00)	10.558	Unknown	85,259
Passed through Louisiana Department of Agriculture and Forestry			
Temporary Emergency Food Assistance Program	10.568	Unknown	11,846
Food Distribution - Value of Commodities Distributed	10.550	Unknown	57,186
Total U.S. Department of Agriculture			<u>428,960</u>
<u>U.S. Department of Housing and Urban Development</u>			
Direct Program:			
Housing Counseling	14.169	Unknown	6,051
Total U.S. Department of Housing and Urban Development			<u>6,051</u>
Total federal expenditures			<u>\$ 4,492,785</u>

NOTE 1: The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting.

NOTE 2: Nonmonetary assistance is reported in the schedule at the fair value of the commodities received and distributed. At December 31, 1999, OMCAP had no food commodities in inventory.

# COOK & MOREHART

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Report on Compliance and on Internal Control Over Financial  
Reporting Based on an Audit of Financial Statements  
Performed In Accordance With *Government Auditing Standards*

To the Board of Directors  
Ouachita Multi-Purpose Community Action Program, Inc.  
Bossier City, Louisiana

We have audited the financial statements of Ouachita Multi-Purpose Community Action Program, Inc. as of and for the year ended December 31, 1999, and have issued our report thereon dated May 5, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether Ouachita Multi-Purpose Community Action Program, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Ouachita Multi-Purpose Community Action Program, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.



However, we noted certain other matters involving the internal control over financial reporting that we have reported to the management of Ouachita Multi-Purpose Community Action Program, Inc. in a separate management letter dated May 5, 2000.

This report is intended solely for the information and use of management, the Board of Directors and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Cook & Morehart  
Certified Public Accountants  
May 5, 2000

# COOK & MOREHART

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## Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133

To the Board of Directors  
Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana

### Compliance

We have audited the compliance of Ouachita Multi-Purpose Community Action Program, Inc. with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 1999. Ouachita Multi-Purpose Community Action Program, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Ouachita Multi-Purpose Community Action Program, Inc.'s management. Our responsibility is to express an opinion on Ouachita Multi-Purpose Community Action Program, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred above that could have a direct and effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Ouachita Multi-Purpose Community Action Program, 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. Our audit does not provide a legal determination on Ouachita Multi-Purpose Community Action Program, Inc.'s compliance with those requirements.

In our opinion, Ouachita Multi-Purpose Community Action Program, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1999.

### Internal Control Over Compliance

The management of Ouachita Multi-Purpose Community Action Program, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulation, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Ouachita Multi-Purpose Community Action Program, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing

our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, the Board of Directors and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Cook & Morehart  
Certified Public Accountants  
May 5, 2000

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Summary Schedule of Prior Audit Findings  
December 31, 1999

There were no findings or questioned costs for the prior year audit ended December 31, 1998.

Schedule of Findings and Questioned Costs  
December 31, 1999

**A. Summary of Audit Results**

1. The auditor's report expresses an unqualified opinion on the financial statements of Ouachita Multi-Purpose Community Action Program, Inc.
2. No reportable conditions are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Ouachita Multi-Purpose Community Action Program, Inc. were disclosed during the audit.
4. No reportable conditions are reported in the Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.
5. The auditor's report on compliance for the major federal award program for Ouachita Multi-Purpose Community Action Program, Inc. expresses an unqualified opinion.
6. Audit findings relative to the major federal award programs for Ouachita Multi-Purpose Community Action Program, Inc. are reported in Part C. of this Schedule.
7. The programs tested as major programs included: 1) Head Start Program CFDA #93.600, and 2) Child and Adult Care Food Program CFDA #10.558.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Ouachita Multi-Purpose Community Action Program, Inc qualifies as a low-risk auditee.

**B. Findings – Financial Statements Audit – None**

**C. Findings and Questioned Costs – Major Federal Award Programs Audit– None**

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Summary Schedule of Prior Year Audit Findings  
Schedule For Louisiana Legislative Auditor  
December 31, 1999

There were no prior year findings for the year ended December 31, 1998. The prior year management letter comments for the year ended December 31, 1998 are addressed below:

Comment #1: Fixed Asset Records

Improvements were noted in the 1999 Audit.

Comment #2: Disbursement Procedure

Improvements were noted in the 1999 Audit.

Comment #3: Accounts Payable at Grant Year End

Improvements were noted in the 1999 Audit.

Comment #4: Travel Policy Procedures

See Travel management letter comment in 1999 management letter.

Comment #5: Head Start In-Kind Documentation

Improvements were noted in the 1999 Audit.

Comment #6: CACFP Meal Count Documentation

Improvements were noted in the 1999 Audit.

Comment #7: Authorization for Payroll Deductions

See repeat comment in the 1999 management letter.

Comment #8: Reconciliation of Payroll Reports and Payroll Liabilities

See a repeat comment in the 1999 management letter.

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Corrective Action Plan For Current Year Audit Findings  
Schedule For Louisiana Legislative Auditor  
December 31, 1999

There were no findings or questioned costs for the current year audit.

The corrective action plan for the management letter comments for the year ended December 31, 1999 are address below:

Comment #1: Bank Reconciliations

Bank reconciliations will be tied to the general ledgers on a monthly basis.

Comment #2: Payroll Account

The payroll account will be put on a general ledger and the payroll liability accounts will be reconciled on a monthly basis.

Comment #3: Authorization for Payroll Deductions and Pay Rate Authorizations

A deduction authorization form signed by the employee stating the amounts to be deducted will support all deductions from employees' payroll checks. Also, a current pay rate authorization form signed by the appropriate person will be placed in the employees' personnel files and updated when the amounts change.

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## Management Letter

May 5, 2000

Board of Directors  
Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana

We have audited the financial statements of Ouachita Multi-Purpose Community Action Program, Inc. (OMCAP), for the year ended December 31, 1999, and have issued our report thereon dated May 5, 2000. In planning and performing our audit of the financial statements of OMCAP, we considered its internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

During our audit the following items were noted involving the internal control over financial reporting and other operational matters which appear to merit your attention for consideration to improve the internal control over financial reporting or operations of OMCAP. These comments have been discussed with the appropriate members of management.

### Comment #1: Bank Reconciliations

During our audit, we noted that not all of the bank reconciliations tied to the activity on the agency's general ledgers each month. Numerous adjusting journal entries had to be made to reconcile the balances.

We recommend that bank reconciliations be tied to the general ledgers on a monthly basis.

### Comment #2: Payroll Account

During the course of our audit, we noted that the agency's payroll account was not on a general ledger.

We recommend that the payroll account be on a general ledger and that the payroll liability accounts be reconciled on a monthly basis.

Comment #3: Authorization for Payroll Deductions and Pay Rate Authorizations

During the course of our audit we tested certain payroll transactions. We noted that other deductions such as retirement program, medical insurance, credit union, etc being withheld from employees checks were not supported by a current deduction authorization from the employees. In addition, we noted that a current pay rate authorization was not always included in the employees' personnel files.

We recommend that all deductions from employees' payroll checks be supported by a deduction authorization signed by the employee stating the amounts to be deducted. In addition, a current pay rate authorization should be completed and approved by the appropriate person. These items should be placed in the employees' personnel files and updated when amounts change.

We express sincere thanks to OMCAP personnel for the cooperation and assistance provided us during our audit. We are available to provide you assistance and consultation in the implementation of the above mentioned items. This letter is furnished solely for the use of management and the Board of Directors and is not intended to be used for any other purpose.



Cook & Morehart  
Certified Public Accountants  
May 5, 2000