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**AVOYELLES PROGRESS ACTION COMMITTEE, INC.**  
**AUDIT OF FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

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 officers. The report is available for public inspection at the State House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: 4-28-04

**DUCOTE & COMPANY**  
**Certified Public Accountants**  
278 North Main Street  
P. O. Box 809  
Marrero, La 70057

NOYELLE'S PROGRESS ACTION COMMITTEE

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AVOYELLES PROGRESS ACTION COMMITTEE

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**Independent Auditors' Report**

To the Board of Directors  
Acycelles Progress Action Committee, Inc.  
Marksville, Louisiana

We have audited the accompanying statement of financial position of the Acycelles Progress Action Committee, Inc. (a nonprofit organization) as of September 30, 2003, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. These 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 audit provides 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 the Acycelles Progress Action Committee, Inc., as of September 30, 2003, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated March 30, 2004, on our consideration of Acycelles Progress Action Committee, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Board of Directors  
Page 2  
March 30, 2004

Our audit was performed for the purpose of forming an opinion on the financial statements referred to in the first paragraph taken as a whole. The accompanying financial information on pages 17-20 listed as supplementary information in the table of contents is presented for the purpose of additional analysis and is not a required part of the financial statements of the Avoyelles Progress Action Committee, Inc. The accompanying schedule of expenditures of federal awards contained in Appendix A is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements of the Avoyelles Progress Action Committee, 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.



**DACOTE & COMPANY**  
Marrero, Louisiana  
March 30, 2004

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL STRUCTURE OVER  
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Acropolis Progress Action Committee, Inc.  
Marksville, Louisiana

We have audited the statement of financial statements of the Acropolis Progress Action Committee, Inc. (a nonprofit organization) as of September 30, 2003, and the related statements of activities and cash flows for the year then ended, and have issued our report thereon dated March 30, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Acropolis Progress Action Committee, 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 the Acropolis Progress Action Committee, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose 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 general purpose 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.

Board of Directors  
Page 2  
March 30, 2004

This report is intended solely for the information and use of management, State of Louisiana and Federal granting agencies, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties.



**DUCOTE & COMPANY**  
Methuen, Louisiana  
March 30, 2004

**GENERAL PURPOSE FINANCIAL STATEMENTS**



**ANYOULLES PROGRESS ACTION COMMITTEE, INC.**  
**MARRONVILLE, LOUISIANA**  
**Combined Statement of Financial Position**  
**All Programs**  
**September 30, 2003**

	Direct Federal Programs	Indirect Federal Programs	Non-Federal Programs	Totals Memo-Only
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$0.00	\$7,000	\$11,164	\$18,164
Grants receivable	0	31,311	0	31,311
Prepaid expenses	0	0	4,417	4,417
Due from other programs	(8)	801	0	801
<b>Total current assets</b>	<b>-\$8</b>	<b>\$39,112</b>	<b>\$15,581</b>	<b>\$54,691</b>
<b>Property, Plant &amp; Equipment</b>				
Property, Plant & Equipment (net of accumulated depreciation)	400,043	11,770	140,000	551,813
<b>Other Assets</b>				
Deposits	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$400,035</b>	<b>\$51,882</b>	<b>\$155,581</b>	<b>\$612,498</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Current Liabilities</b>				
Accounts payable	\$17,428	\$21,808	\$0	\$39,236
Due to other programs	0	0	694	694
Notes payable, current portion	2,000	0	2,000	4,000
<b>Total current liabilities</b>	<b>\$19,428</b>	<b>\$21,808</b>	<b>\$2,694</b>	<b>\$43,930</b>
<b>Long-Term Liabilities</b>				
Notes payable, net of current portion	73,800	0	140,000	213,800
<b>Total liabilities</b>	<b>\$93,228</b>	<b>\$21,808</b>	<b>\$142,694</b>	<b>\$357,730</b>
<b>Net Assets</b>				
Unrestricted	\$11,807	30,074	14,887	56,768
<b>Total net assets</b>	<b>\$11,807</b>	<b>\$30,074</b>	<b>\$14,887</b>	<b>\$56,768</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$400,035</b>	<b>\$51,882</b>	<b>\$155,581</b>	<b>\$612,498</b>

The accompanying notes are an integral part of this financial statement.

**ANDRILLE PROGRESS ACTION COMMITTEE, INC.**  
**MARKSYLLE, LOUISIANA**  
**Condensed Statement of Activities**  
**All Programs**  
**For the Year Ended September 30, 2000**

	Direct Federal Program	Indirect Federal Programs	Non-Federal Programs	Totals Items Only
<b>UNRESTRICTED-NET ASSETS:</b>				
<b>Support</b>				
Grants received	\$ 1,731,688	\$458,888	\$0	\$2,190,576
In-kind contributions	454,554	0	0	454,554
Other support	288	0	8,054	8,342
<b>Total Support</b>	<b>2,624,530</b>	<b>458,888</b>	<b>8,054</b>	<b>3,091,472</b>
<b>Expenses:</b>				
<b>Program Services:</b>				
Salaries	1,083,764	748,794	0	1,832,558
Fringe benefits	331,056	23,750	588	355,394
Contractual	8,089	9,883	1,157	19,129
Travel	38,076	3,029	0	41,105
Space costs	33,373	78,773	0	112,146
Consumable supplies	91,783	18,886	0	110,669
Materials cost	41,008	99,497	0	140,505
Other expenses	238,640	37,889	18,422	294,951
In-kind contributions	454,554	0	0	454,554
<b>Total Program Services</b>	<b>2,584,694</b>	<b>917,778</b>	<b>19,967</b>	<b>3,522,439</b>
<b>Increase (decrease) in unrestricted net assets before operating transfers</b>				
	45,836	61,110	(11,913)	(4,967)
<b>Operating transfers in (out)</b>	<b>(7,182)</b>	<b>(8,084)</b>	<b>9,884</b>	<b>0</b>
<b>Increase (decrease) in unrestricted net assets</b>				
	38,654	53,026	2,971	(4,987)
<b>Net assets, beginning of year</b>	<b>366,260</b>	<b>38,871</b>	<b>11,752</b>	<b>416,883</b>
<b>Net assets, end of year</b>	<b>404,914</b>	<b>91,897</b>	<b>14,723</b>	<b>511,534</b>

The accompanying notes are an integral part of this financial statement.

**AVOYELLES PROGRESS ACTION COMMITTEE, INC.**  
**MARKSVILLE, LOUISIANA**  
**Combined Statement of Cash Flows**  
**All Programs**  
**For the Year Ended September 30, 2021**

	Direct Federal Programs	Indirect Federal Programs	Non-Federal Programs	Total State Only
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Change in net assets	\$73,733	\$7,098	\$1,701	\$82,532
Adjustments to reconcile changes in net assets to net cash provided by operating activities				
Depreciation	\$1,495	4,962	569	\$7,026
(Increase)-decrease in operating assets:				
Grants receivable	\$2,000	\$,214	\$	\$2,214
Other receivable	\$0	1,647	2,688	4,335
Prepaid expenses	0	0	(4,417)	(4,417)
Increase (decrease) in operating liabilities:				
Accounts payable	(11,052)	11,446	(2,748)	(2,354)
Other payables	0	0	(4,588)	(4,588)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>11,176</b>	<b>\$1,733</b>	<b>(2,667)</b>	<b>\$1,242</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Proceeds from debt	111,902	0	\$	\$111,902
Principal payments of debt	(1,000)	0	(3,600)	(4,600)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>110,902</b>	<b>0</b>	<b>(3,600)</b>	<b>\$107,302</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchases of property and equipment	(146,876)	(8,228)	0	(155,104)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(146,876)</b>	<b>(8,228)</b>	<b>0</b>	<b>(155,104)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,772</b>	<b>\$1,207</b>	<b>(5,077)</b>	<b>\$1,902</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>4,884</b>	<b>\$4,117</b>	<b>18,218</b>	<b>\$27,219</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$6,656</b>	<b>\$5,324</b>	<b>\$13,141</b>	<b>\$29,121</b>

The accompanying notes are an integral part of this financial statement.

**NOTES TO THE FINANCIAL STATEMENTS**

**AVOYELLES PROGRESS ACTION COMMITTEE, INC.**  
**Notes to the Financial Statements**  
**September 30, 2003**

**NOTE A - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Organization:**

The Avoyelles Progress Action Committee, Inc. (APAC) was organized in 1965, its purpose being to serve as a community action agency for the parish of Avoyelles, Louisiana. Its goal is to provide a central agency to focus on available local, state, federal and private resources to assist the disadvantaged residents of Avoyelles Parish.

The Avoyelles Progress Action Committee, Inc. is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes.

**Nature of Activities:**

The primary funding sources and their purposes of APAC are:

**State Federal Programs**

**Department of Health & Human Services:**

Head Start - a full year (nine month) program which provides comprehensive early child development for disadvantaged, pre-school children.

**Individual Federal Programs**

**Department of Agriculture:**

The Child Care Food Program operates in conjunction with the Head Start Program. This program allows APAC to operate a meal program for qualifying students on a cost reimbursed basis.

**Department of Energy:**

The Weatherization Assistance for Low Income Persons Program provides services to assist needy individuals with home energy conservation measures.

**Department of Health & Human Services:**

The Community Services Block Grant and the Emergency Community Services for the Homeless Programs help to defray a portion of APAC's administrative costs as well to provide various program services to the needy.

The Low Income Home Energy Assistance Program (LIHEAP) provides assistance to low income households in the payment of home utility costs during high energy usage periods of the year.

**AVOYELLES PROGRESS ACTION COMMITTEE, INC.**  
**Notes to the Financial Statements (continued)**  
**September 30, 2003**

**NOTE A - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**  
(continued)

**Nature of Activities (continued)**

**Illinois Federal Programs (continued):**

**Department of Social Services:**

The Temporary Assistance for Needy Families Program (TANF) provides assistance to low income households in the payment of home utility costs.

**Non-Federal Programs:**

This accounts for general fund and state appropriated monies to cover other administrative costs of operating the APAC agency. During the year ended September 30, 2003, APAC received no state appropriation monies.

**Method of Accounting:**

The financial statements of APAC have been prepared utilizing the accrual basis of accounting.

**Financial Statement Presentation:**

In 1998, APAC adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, APAC 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) based upon the existence or absence of donor imposed restrictions. As permitted by the new standard, APAC has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present classes of net assets. The reclassification had no cumulative effect on the change in net assets for the year ended September 30, 2003.

APAC also adopted SFAS No. 118, "Accounting for Contributions Received and Contributions Made," in 1998. In accordance with SFAS No. 118, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. The adoption had no cumulative effect on net assets at the date of the adoption. In addition, APAC has not received any contributions with donor-imposed restrictions that would result in temporarily or permanently restricted net assets.

**Cash Equivalents:**

Cash equivalents consist of short-term, highly liquid investments which are readily convertible into cash within ninety (90) days of purchase.

**Support and Revenue:**

Grant revenues are recognized as follows:

For entitlement grants in which unexpended funds are subjected to future reprogramming, the entire amount of the grant award is recognized over the life of the grant. In cases where such grants span the Agency's fiscal year end, revenues are recognized in an amount equal to expenditures in the initial portion of the grant, and any excess is recognized in the period in which the grant terminates.

**ANDYELLES PROGRESS ACTION COMMITTEE, INC.**  
**Notes to the Financial Statements (continued)**  
**September 30, 2003**

**NOTE A - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**  
 (continued)

**Support and Revenue (continued):**

In cases of cost reimbursement grants where unexpended funds revert to the grantor at the conclusion of the grant period, grant revenues are recognized in an amount equal to expenditures, up to the maximum amount of the grant awarded.

In the case of unrestricted grants, the entire amount of the grant award is recognized as revenue upon receipt.

**Expenditures:**

Purchases of consumables and supplies are recorded as expenditures in the grant period when purchased. Should grant funding cease, such equipment could be returned to the grantor. Because of these expenditures, a perpetual record is maintained on those assets acquired.

**Totals - Memo Only**

The total columns on the statements are captioned *Memo Only* to indicate that they are presented only to facilitate financial analysis. Data in those columns does not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**NOTE B - PROPERTY AND EQUIPMENT**

Property and equipment acquired by APAC are considered to be owned by APAC. However, federal funding sources may maintain an equitable interest in the property purchased with grant monies, as well as the right to determine the use of any proceeds from the sale of these assets. The equitable interest maintained by the grantor agency decreases as the age of the asset increases.

As of September 30, 2003, all property and equipment owned by APAC has been acquired with grant monies.

Property and equipment consist of the following:

	Balance 9/30/02	Additions	Deletions	Balance 9/30/03
Direct Federal Programs	\$726,176	\$144,676	\$ -	\$871,854
Indirect Federal Programs	34,834	8,822	0	43,654
Non-Federal Programs	154,800	0	0	154,800
<b>Totals</b>	<b>915,810</b>	<b>153,508</b>	<b>0</b>	<b>1,069,318</b>
Accumulated Depreciation	(1,069,318)	(1,96,477)	0	(1,265,795)
<b>Net Property and Equipment</b>	<b>\$550,236</b>			<b>\$803,523</b>

**AVOYELLES PROGRESS ACTION COMMITTEE, INC.**  
**Notes to the Financial Statements (continued)**  
**September 30, 2003**

**NOTE B - PROPERTY AND EQUIPMENT (continued)**

SFAS No. 85, effective for fiscal years beginning after May 15, 1985, requires the recognition of depreciation in the financial statements of a non-profit organization. This statement provides that the nonprofit organization adopt accounting changes needed to conform to the statement's provisions.

Effective for the year ended September 30, 2003, APAC has adopted the provisions of SFAS No. 85. Depreciation is calculated using the straight-line method with asset lives of 5-to 10 years.

**NOTE C - DONATED SERVICES, MATERIAL, AND FACILITIES**

Valuation of in-kind services is made at current market rates for services, at not more than the federal minimum wage plus applicable fringe costs.

Donations of materials and facilities use are valued at the estimated fair market value of the material or facility at the time of the donation.

**NOTE D - INTERPROGRAM RECEIVABLES/PAYABLES**

As of September 30, 2003, the following interprogram receivables/payables existed:

	Receivable	Payable
Non-Federal Program: General Fund	\$ -0-	\$ 601
Indirect Federal Program: Weatherization	601	-0-
Direct Federal Program: Headstart	____0-	____-0-
<b>Totals</b>	<b>\$ ____601</b>	<b>\$ ____601</b>



**AVOYELLES PROGRESS ACTION COMMITTEE, INC.**  
**Notes to the Financial Statements (continued)**  
**September 30, 2003**

**NOTE E - GRANTS RECEIVABLE**

As of September 30, 2003, grants receivable was composed of:

Child Care Food:		
State of Louisiana	\$	18,200
LIHEAP:		
Dept of Agriculture		2,754
Weatherization:		
Dept. of Energy	<u>        </u>	<u>1,321</u>
<b>Total</b>		<b><u>\$ 22,275</u></b>

**NOTE F - SUMMARY OF GRANTS**

APAC was primarily funded through the following grants for the year ended September 30, 2003:

Funding Source	Program Year(s) Covered	Recognized Support
Direct Federal Programs:		
Head Start	01/03-03/03 01/03-03/04	\$1,750,848
Indirect Federal Programs:		
Community Services (Block Grant)	1/1/03-12/31/03 1/1/03-12/31/04	140,864
Dept. of Energy/Weatherization	4/1/03-3/31/03 4/1/03-3/31/04	57,323
LIHEAP Energy Assistance Program	4/1/03-3/31/03 4/1/03-3/31/04	115,444
Child and Adult Food Care Program	10/1/02-03/03/03	128,284
Temporary Assistance for Needy Families Program	10/1/02-03/03/03	<u>        2,598</u>
<b>Total Grants</b>		<b><u>\$2,222,364</u></b>

Some of the programs have program years that overlap the Agency's fiscal year. In those cases revenue and expenditures are recognized according to the Agency's fiscal year.

**AVOYELLES PROGRESS ACTION COMMITTEE, INC.**  
**Notes to the Financial Statements (continued)**  
**September 30, 2003**

**NOTE G - LONG-TERM NOTE PAYABLE**

On May 6, 2002 the Board of Directors of the Avoyelles Progress Action Committee authorized the incurrence of indebtedness in the principal amount of \$195,713 for the purpose of providing the cost of building an administrative facility. The Board of Directors entered into a security agreement with the Union Bank to borrow \$195,713 at an interest rate of 7.35% payable over twenty years. At September 30, 2003 the outstanding principal balance was \$195,754. Future debt service requirements are as follows:

Fiscal Year Ended	Principal	Interest	Total
2004	\$ 3,086	\$ 11,552	\$ 14,638
2005	4,264	11,204	15,468
2006	4,585	10,863	15,448
2007	4,955	10,499	15,454
2008	5,351	10,097	15,448
2009-2023	177,389	78,338	255,727
<b>Totals</b>	<b>\$195,719</b>	<b>\$198,658</b>	<b>\$394,377</b>

On November 15, 2002 the Board of Directors of the Avoyelles Progress Action Committee authorized the incurrence of indebtedness in the principal amount of \$137,562 for the purpose of providing the cost of building the Cistercens Headstart facility located in Marksville, Louisiana. The Board of Directors entered into a security agreement with the Union Bank to borrow \$137,562 at an interest rate of 7.75% payable over twenty years. At September 30, 2003 the outstanding principal balance was \$134,694. Future debt service requirements are as follows:

Fiscal Year Ended	Principal	Interest	Total
2004	\$ 3,858	\$ 10,497	\$ 14,355
2005	3,468	10,698	14,166
2006	3,738	9,818	13,556
2007	4,028	9,618	13,646
2008	4,352	9,194	13,546
2009-2023	130,232	75,425	205,657
<b>Totals</b>	<b>\$134,694</b>	<b>\$124,546</b>	<b>\$259,240</b>

**NOTE H - BOARD MEMBERS PER DIEM**

Board Members of the Avoyelles Progress Action Committee have not received per diem or any other type of compensation during this audit period.

**AVOYELLES PROGRESS ACTION COMMITTEE, INC.**  
**Notes to the Financial Statements (continued)**  
**September 30, 2003**

**NOTE I - EMPLOYEE BENEFIT PLAN**

APAC established a defined contribution salary deferral plan, covering employees of the agency. The plan has been adopted in accordance with Section 409(a) of the Internal Revenue Code. Under the plan, the APAC contributes a discretionary matching contribution equal to a percentage of the amount of the salary reduction elected by the employee, up to 6% of compensation. The employee may elect a salary reduction up to the maximum annual allowable amount established by applicable Internal Revenue Code Sections. During the year ended September 30, 2003, APAC contributed \$33,733, as the agency's match, to the plan.

**NOTE J - COMMITMENTS AND CONTINGENCIES**

APAC leases various buildings on a one-year, renewable basis. The buildings are used primarily for Head Start facilities.

As September 30, 2003, APAC is involved in two lawsuits, one claiming racial and/or sexual discrimination and the other claiming payment for accumulated leave. In all cases legal counsel for APAC has indicated that the outcome of the litigation is uncertain at the present time, and the potential claims against APAC not covered by insurance are uncertain at this time, but are not expected to exceed \$10,000.

**NOTE K - SUBSEQUENT EVENTS**

The Head Start Program is in the planning stages for the construction of a new facility to serve the Bunkie, Louisiana area. Financing in the amount of \$484,874 has been secured through the Union Bank and an \$80,000 grant has been received for the purchase of construction of the facility. APAC is currently negotiating an intergovernmental agreement with the Avoyelles Parish School Board to enter into a no cost 99-year lease for the land site for the building.

## SUPPLEMENTARY INFORMATION

## INDIRECT FEDERAL PROGRAMS

### **Department of Health & Human Services:**

The Community Services Block Grant helps to defray a portion of APAC's administrative costs as well to provide various program services to the needy.

### **Department of Energy:**

The Weatherization Assistance for Low Income Persons Program provides services to assist needy individuals with home energy conservation measures.

The LIHEAP Program assists needy individuals with home energy payments.

### **Department of Agriculture:**

The Child and Adult Food Care Program operates in conjunction with the Head Start Program. This program allows APAC to operate a food program for qualifying students on a cost reimbursement basis.

### **Department of Social Services:**

The Temporary Assistance for Needy Families Program provides assistance to the needy in the payment of home utility costs.

**MOYELLE'S PROGRESS ACTION COMMITTEE, INC.**  
**MARKOVILLE, LOUISIANA**  
**Combining Statement of Financial Position**  
**Indirect Federal Programs**  
**September 30, 2003**

	OSBO Program	Dept of Energy Weatherization Program	LISEAF Energy Assistance Program	Child Care Food Program	Temporary Assistance for Needy Families	Totals Minus Only
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$18,844	\$489	\$21,574	\$40,076	\$4,708	\$82,691
Debits receivable	0	1,333	2,754	14,248	0	21,335
Due from other programs	0	691	0	0	0	691
<b>Property, Plant &amp; Equipment</b>						
Property, Plant & Equipment (net of accumulated depreciation)	18,888	380	217	1,658	380	21,503
<b>TOTAL ASSETS</b>	<b>\$38,732</b>	<b>\$1,802</b>	<b>\$24,548</b>	<b>\$56,982</b>	<b>\$7,088</b>	<b>\$111,132</b>
<b>LIABILITIES AND NET ASSETS</b>						
<b>Current Liabilities</b>						
Accounts payable	\$13,288	\$121	\$0	\$10,364	\$0	\$23,773
Total liabilities	13,288	121	0	11,800	0	25,209
<b>Net Assets</b>						
Unrestricted	18,825	1,681	24,792	21,681	7,088	74,067
Total net assets	18,825	1,681	24,792	21,681	7,088	74,067
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$38,732</b>	<b>\$2,500</b>	<b>\$24,548</b>	<b>\$56,982</b>	<b>\$7,088</b>	<b>\$111,132</b>

**MOYELLES PROGRESS ACTION COMMITTEE, INC.**  
**MONROEVILLE, LOUISIANA**  
**Combining Statement of Activities**  
**Indirect Federal Programs**  
**For the Year Ended September 30, 2005**

	CMBO Program	Dept of Energy Weatherization Program	LIHEAP Energy Assistance Program	Child Care Food Program	Temporary Assistance for Needy Families	Totals (Notes Only)
<b>UNRESTRICTED NET ASSETS:</b>						
<b>Support:</b>						
Grants received	\$140,889	\$1,000	\$138,444	\$28,254	\$1,000	\$409,587
<b>Total Support</b>	<b>140,889</b>	<b>1,000</b>	<b>138,444</b>	<b>28,254</b>	<b>1,000</b>	<b>409,587</b>
<b>Expenses:</b>						
<b>Program Services:</b>						
Salaries	71,828	26,789	9,893	21,333	2,862	142,605
Fringe benefits	14,376	2,873	4,187	8,838	241	27,515
Contractual	7,540	250	1,445	330	118	9,683
Travel	808	1,129	293	39	329	2,599
Office costs	1,277	0	38,288	0	0	40,565
Consumable supplies	10,507	18	62	1,088	0	11,675
Materials/food costs	1,890	24,155	0	88,408	0	114,453
Other expenses	27,220	6,001	777	1,813	0	35,811
<b>Total Program Services</b>	<b>136,975</b>	<b>61,365</b>	<b>51,955</b>	<b>109,149</b>	<b>3,241</b>	<b>462,735</b>
<b>Increase (decrease) in unrestricted net assets before operating transfers</b>	<b>3,914</b>	<b>(4,365)</b>	<b>26,489</b>	<b>4,105</b>	<b>(760)</b>	<b>29,383</b>
Operating transfers in (out)	(8,098)	0	0	0	0	(8,098)
<b>Increase (decrease) in unrestricted net assets</b>	<b>(4,184)</b>	<b>(4,365)</b>	<b>26,489</b>	<b>4,105</b>	<b>(760)</b>	<b>21,284</b>
<b>Net assets, beginning of year</b>	<b>11,211</b>	<b>6,598</b>	<b>11,803</b>	<b>17,348</b>	<b>7,827</b>	<b>64,797</b>
<b>Net assets, end of year</b>	<b>\$6,027</b>	<b>\$2,233</b>	<b>38,292</b>	<b>\$21,453</b>	<b>\$7,067</b>	<b>\$86,082</b>

**AVOUELLES PROGRESS ACTION COMMITTEE, INC.**  
**MARKEVILLE, LOUISIANA**  
**Combining Statement of Cash Flows**  
**Indirect Federal Programs**  
**For the Year Ended September 30, 2000**

	CDBG Program	Dept of Energy Weatherization Program	LIHMFP Energy Assistance Program	Child Care Food Program	Temporary Assistance for Needy Families	Totals Memo Only
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>						
Change in receivables	\$4,880	\$4,304	\$24,480	\$4,400	\$0	\$38,064
Adjustments to reconcile change in net assets to net cash provided by operating activities						
Depreciation	4,271	100	100	441	100	4,912
(Increase)/decrease in operating assets:						
Grants receivable	2,888	1,814	1,888	(3,000)	2,884	6,574
Other receivables	0	2,547	0	0	0	2,547
Increase (decrease) in operating liabilities:						
Accounts payable	(8,244)	(100)	(7,387)	3,888	0	(12,043)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>28,805</u>	<u>(100)</u>	<u>28,091</u>	<u>5,011</u>	<u>2,884</u>	<u>65,701</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>						
Purchases of property and equipment	(3,800)	0	0	(3,500)	0	(7,300)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<u>(3,800)</u>	<u>0</u>	<u>0</u>	<u>(3,500)</u>	<u>0</u>	<u>(7,300)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>25,005</u>	<u>(100)</u>	<u>28,091</u>	<u>1,511</u>	<u>2,884</u>	<u>58,401</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>3,727</u>	<u>882</u>	<u>11,112</u>	<u>8,188</u>	<u>0</u>	<u>23,709</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>28,732</u>	<u>782</u>	<u>39,203</u>	<u>9,700</u>	<u>2,884</u>	<u>82,101</u>



## **APPENDIX A**

### **REPORTS REQUIRED BY OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULAR**

The following pages contain reports on the Schedule of Expenditures of Federal Awards and on compliance with requirements applicable to each Major Program and internal control over compliance in accordance with OMB Circular A-133.

REPORT ON SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS

To the Board of Directors  
Acroyelles Progress Action Committee, Inc.  
Marronville, Louisiana

We have audited the general-purpose financial statements of the Acroyelles Progress Action Committee, Inc. for the year ended September 30, 2003, and have issued our report thereon dated March 30, 2004. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

*Ducote & Company*

Ducote & Company  
Marronville, Louisiana  
March 30, 2004

ANDYELLES PROGRESS ACTION COMMITTEE, INC  
 BARKSVILLE, LOUISIANA

Schedule of Expenditures of Federal Awards  
 For Year Ended September 30, 2003

<u>Federal Grantor Pass-Through Grantor/ Program Name</u>	<u>Federal CFDA Number</u>	<u>Local Program Number</u>	<u>Program Expenditures</u>
U. S. Department of Agriculture Passed through the State of Louisiana, Dept. of Education: Child and Adult Food Care Program	10.558	CACFP-2001-06	\$ 178,140
U. S. Department of Energy Passed through the State of Louisiana, Dept. of Louisiana Housing Financing Agency: Weatherization Assistance for Low-Income Persons	81.642	CFMS 02M25	91,394
U.S. Department of Health and Human Services Direct Program: Head Start	83.800*	08C89126/26	2,290,894
Passed through the State of Louisiana, Dept. of Louisiana Housing Financing Agency: Low Income Home Energy Assistance Payments	83.666	CFMS 082754	91,823
Passed through the State of Louisiana, Dept. of Labor: Community Services Block Grant	85.568	2002H0051	130,975
State of Louisiana, Dept. of Social Services: Temporary Assistance for Needy Families	83.688	NA	3,345
<b>Total Federal Expenditure Awards</b>			<b>\$ 3,278,732</b>

\* Domestic Income Program

**AVOYELLES PROGRESS ACTION COMMITTEE, INC**  
Notes to the Schedule of  
Expenditures of Federal Awards  
September 30, 2002

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of expenditures of federal awards of the Avoyelles Progress Action Committee, Inc., has been prepared utilizing the accrual basis of accounting. The information presented in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audit of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented, or used in, the preparation of the general purpose financial statements.

**NOTE B - SUBSIDIARIES**

Of the federal expenditures presented in the schedule, Avoyelles Progress Action Committee, Inc. provided no federal awards to subsidiaries.

**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  
Avoyelles Progress Action Committee, Inc.  
Mahnville, Louisiana

**Compliance**

We have audited the compliance of the Avoyelles Progress Action Committee, 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 September 30, 2003. Avoyelles Progress Action Committee, 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 Avoyelles Progress Action Committee, Inc.'s management. Our responsibility is to express an opinion on Avoyelles Progress Action Committee, 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 Office of Management and Budget (OMB) Circular A-133, Apply of State and 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 to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Avoyelles Progress Action Committee, 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 Avoyelles Progress Action Committee, Inc.'s compliance with those requirements.

In our opinion, Avoyelles Progress Action Committee, 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 September 30, 2003.

**Internal Control Over Compliance**

The management of the Avoyelles Progress Action Committee, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Avoyelles Progress Action Committee, 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.

Board of Directors

Page 2

March 30, 2004

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 the Board of Directors and the management of the Amalgamated Progress Action Committee, Inc., State of Louisiana and Federal granting agencies, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties.



DeLoach & Company  
Monsieur, Louisiana  
March 30, 2004

**BOYELLES PROGRESS ACTION COMMITTEE, INC**  
**MARKOVILLE, LOUISIANA**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended September 30, 2003**

**Section I -- Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued:	Unqualified	
Internal control over financial reporting:		
Material weakness(es) identified?	_____ yes	_____ no
Reportable condition(s) identified not Considered to be material weakness(es):	_____ yes	_____ no
Noncompliance material to financial statements noted?	_____ yes	_____ no

**Federal Awards**

Internal Control over major programs:		
Material weakness(es) identified?	_____ yes	_____ no
Reportable condition(s) identified not Considered to be material weakness(es):	_____ yes	_____ none reported
Type of auditors' report issued on compliance For major programs:	Unqualified	
Any audit findings disclosed that are required To be reported in accordance with Circular A-133, Section 316(c):	_____ yes	_____ no

**Identification of major programs:**

CFDA Number	Name of Federal Program or Cluster
93.008	Head Start

Dollar threshold used to distinguish between Type A and Type B programs	\$200,000
Auditor qualified as low-risk auditor:	_____ yes _____ no

NOYELLES PROGRESS ACTION COMMITTEE, INC  
MARSHVILLE, LOUISIANA  
Schedule of Findings and Questioned Costs (continued)  
For the Year Ended September 30, 2003

**Section B-Financial Statement Findings**

There are no findings and questioned costs applicable to the financial statements.

**Section III - Federal Award Findings and Questioned Costs**

There are no findings and questioned costs applicable to federal awards.



**ANDYBELLE PROGRESS ACTION COMMITTEE, INC**  
**MONROEVILLE, LOUISIANA**  
**Summary Schedule of Prior Audit Findings**  
**Year Ended September 30, 2003**

<b>Ref. No.</b>	<b>Fiscal Year Finding Initially Disclosed</b>	<b>Description of Finding</b>	<b>Corrective Action Taken (Yes, No, Partially)</b>	<b>Planned Corrective Action/ Partial Corrective Action Taken</b>
<b>Section I – Internal Control and Compliance Material to the Financial Statements</b>				
02-01	02-02-02	Deposits held at September 30, 2002 at two financial institutions unaccountable about by the amount of \$67,000.	Yes	March 21, 2003
<b>Section II – Internal Control and Compliance Material to Federal Awards</b>				
None				
<b>Section III – Management Letter</b>				
ML 01-01	02-02-02	Proper period credit with respect to interfund reimbursements.	Yes	April 01, 2003
ML 02-02	02-02-02	Reconciliation of subsidiary ledgers to general ledgers.	Yes	April 30, 2003