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**POINTE COUPEE COMMUNITY ADVANCEMENT, INC.  
HERN ROAD, LOUISIANA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED MARCH 31, 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 officials. The reports 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: 4-14-04

# George F. Delaune

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February 13, 2004

Suzanne Elliott  
Legislative Auditor  
State of Louisiana  
P. O. Box 94587  
Baton Rouge, LA 70804-0587

Re: Pointe Cochet Community Advancement, Inc.

Dear Suzanne:

I was requested by the Head Start Director of Pointe Cochet Community Advancement, Inc. to investigate some proposed audit adjustments to the March 31, 2003 Head Start financial statements. Consequently, based upon her evidence, I have reviewed the audit of Pointe Cochet Community Advancement, Inc. for the year ended March 31, 2003.

The explanation for the misstate is contained in Note 5 on Page 11. The following items caused a change in the Head Start financials:

1. In combining the transactions from two separate programs, the beginning cash balance was inadvertently recorded as an expense.
2. Supplies were ordered and received for the program year 2003-2004 that were recorded as current year expenses.
3. Unaccounted funds were used to pay for expenses that I was informed were to be repaid, but according to both the Executive Director and Head Start Director, this should have been recorded as a contribution to the Head Start Program.
4. An error in comparing the budget to actual on page 21 overstated the unfavorable budget to actual variance for the year.

The total effect of these corrections is an increase in Total Revenues of \$6,889, a decrease in Total Expenses of \$5,999, and a reduction in Net Assets from (\$84,628) to (\$70,547).

The problems with the Head Start Program are reported in Finding 2003-1 on page 29.

If you need further explanations, please do not hesitate to contact me.

Respectfully,

  
George F. Delaune, CPA

POINTE COUPEE COMMUNITY ADVANCEMENT, INC.  
NEW ROADS, LOUISIANA  
(225) 638-6367

GOVERNING BOARD

<u>NAME</u>	<u>REPRESENTING</u>
Thomas Nelson, Jr.	· City of New Roads
Juliette Williams	· Pointe Coupee Police Jury
Sylvester Muckelroy	· Pointe Coupee School Board
Irene R. Smith	· Pointe Coupee Sheriff
Donald Fuseller	· School of Hope
Linda Christophe	· St. Peter AME
Eleanor Selbert	· Pointe Coupee Chapter NAACP
John Olinde, Sr.	· Immaculate Conception Church
Annie Mae Jackson	· St. Jude Church
Yolande Slaughter	· St. Augustine Catholic Church
Willie Wilson, Jr.	· Batchelor, Lettoworth, Innis
Robert M. Lee	· Margenza
Bobby Williams	· New Roads
Milton Gaines, Jr.	· Livonia
Sam Adolphe	· Lakeland

EXECUTIVE DIRECTOR

Clinton H. Flint

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Pointe Coupee Community Advancement, Inc.

I have audited the accompanying statement of financial position of **POINTE COUPEE COMMUNITY ADVANCEMENT, INC.**, (a Nonprofit Organization), as of March 31, 2003, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of Pointe Coupee Community Advancement, Inc.'s management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my 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; and with provisions of Louisiana Revised Statute 24:513 and the provisions of the Louisiana Governmental Audit Guide, published jointly by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. These standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pointe Coupee Community Advancement, Inc. as of March 31, 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*, I have also issued my report dated January 20, 2004, on my consideration of Pointe Coupee Community Advancement, Inc.'s internal control over financial reporting and my 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 my audit.

My audit was performed for the purpose of forming an opinion on the basic financial statements of Pointe Coupee Community Advancement, Inc. taken as a whole. 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 additional information listed in the table of contents are 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 my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*George F. Roberts, CPA*

January 28, 2004, revised February 12, 2004 (see Note 6)

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## BASIC FINANCIAL STATEMENTS



**POINTE COUPEE COMMUNITY ADVANCEMENT, INC.**  
**COMBINED STATEMENT OF FINANCIAL POSITION**  
**MARCH 31, 2003**

	Unrestricted	Restricted	Total
<b>ASSETS</b>			
Cash	\$ 12,570	\$ 18,160	\$ 30,730
Grants and reimbursements receivable	0	34,693	34,693
<b>TOTAL ASSETS</b>	<u>12,570</u>	<u>44,853</u>	<u>57,423</u>
<b>LIABILITIES</b>			
Bank overdrafts	0	258	258
Accounts payable	0	62,878	62,878
Accrued salaries payable	0	33,381	33,381
Accrued payroll liabilities and deductions	0	21,904	21,904
<b>TOTAL LIABILITIES</b>	<u>0</u>	<u>118,421</u>	<u>118,421</u>
<b>NET ASSETS</b>			
Restricted - permanently	0	(70,547)	(70,547)
Unrestricted - undesignated	12,570	0	12,570
<b>TOTAL NET ASSETS</b>	<u>\$ 12,570</u>	<u>\$ (70,547)</u>	<u>\$ (57,977)</u>

The accompanying notes are an integral part of these statements.

**POINTE COUPEE COMMUNITY ADVANCEMENT, INC.**  
**COMBINED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEAR ENDED MARCH 31, 2003**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
<b>REVENUES</b>			
Grants and reimbursements	0	\$ 1,484,403	\$ 1,484,403
Grantee contributions	0	245,723	245,723
Interest income	0	18	18
Local governmental contributions	5,045	0	5,045
Miscellaneous	5,035	5,883	14,918
<b>Total Revenues</b>	<u>15,083</u>	<u>1,735,927</u>	<u>1,753,010</u>
<b>EXPENSES</b>			
Program Services -			
Head Start	0	1,384,084	1,384,084
Child & Adult Food - School Lunch Program	0	78,146	78,146
Home Energy Assistance	0	218,888	218,888
Emergency Food and Shelter	0	15,090	15,090
Community Services Block Grant	0	84,260	84,260
Emergency Food Assistance Program	0	3,831	3,831
Medicaid	0	3,022	3,022
<b>Total Program Services</b>	<u>0</u>	<u>1,808,908</u>	<u>1,808,908</u>
Management and general	7,455	0	7,455
<b>Total Expenses</b>	<u>7,455</u>	<u>1,808,908</u>	<u>1,816,363</u>
<b>CHANGE IN NET ASSETS</b>	<u>5,428</u>	<u>(71,818)</u>	<u>(62,450)</u>
Net Assets at Beginning of Year	3,142	1,331	4,473
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 13,875</u>	<u>\$ (70,947)</u>	<u>\$ (57,071)</u>

The accompanying notes are an integral part of these statements.

**POINTE COURSE COMMUNITY ADVANCEMENT, INC.**  
**COMBINED STATEMENT OF CASH FLOWS**  
**YEAR ENDED MARCH 31, 2003**

**CASH FLOWS FROM OPERATING ACTIVITIES**

(Decrease) in net assets	\$	(92,490)
Adjustments to reconcile (decrease) in net assets to net cash provided by operating activities:		
(Decrease) decrease in -		
Receivables		20,654
Increase (decrease) in -		
Bank overdrafts		358
Accounts payable		(4,816)
Accrued salaries payable		(4,894)
Accrued payroll liabilities and deductions		7,682
		(43,306)
<b>Net Cash Provided by Operating Activities</b>		<b>(43,306)</b>
<b>Net Increase in Cash</b>		<b>(43,306)</b>
<b>Cash at Beginning of Year</b>		<b>98,887</b>
<b>CASH AT END OF YEAR</b>	<b>\$</b>	<b>55,581</b>

The accompanying notes are an integral part of these statements.

**POINTE COUPEE COMMUNITY ADVANCEMENT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1 - THE ENTITY**

Pointe Coupee Community Advancement, Inc. ("the Agency") was organized in 1968 as a non-profit corporation under the Nonprofit Corporation Law of Louisiana, Section 281(7) of Title 12 of the Louisiana Revised Statutes. The corporation is organized on a non-stock basis. It functions as a community action agency whose purpose is to improve the quality of life for low income, needy persons throughout the area with emphasis on providing educational, nutritional, health and social assistance to underprivileged children and nutritional and energy assistance to low income persons.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basic 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 Pointe Coupee Community Advancement, Inc. 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.

***Basic of Accounting***

The financial statements of the Pointe Coupee Community Advancement, Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

***Fund Accounting***

The accounts of Pointe Coupee Community Advancement, Inc. are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. In accordance with SFAS No. 117, fund balances are classified on the Statement of Financial Position as unrestricted, temporarily restricted, or permanently restricted net assets based on the absence or existence and type of donor-imposed restrictions. The various funds maintained by Pointe Coupee Community Advancement, Inc. are as follows:

**Local Administration** - the general operating fund used to account for all financial resources over which the Board of Directors has discretionary control and is used to carry out the operations of the agency in accordance with its bylaws.

**Head Start** - a federally funded program whose objectives are to provide comprehensive educational, nutritional, health and social services to economically disadvantaged preschool children and their families and to involve parents in activities with their children so that the children will attain overall social competence. Parents also participate in various decision making processes related to operation of the program.

**POINTE COUPEE COMMUNITY ADVANCEMENT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Child & Adult Food - School Lunch Program* — this program provides financial reimbursement to the Head Start program for school lunches.

*Home Energy Assistance* — the objective of this program is to assist low-income persons in paying for energy and reduce the impact of rising energy costs on eligible participants.

*Emergency Food and Shelter Program* — distribution of food commodities donated by the federal government, to those person meeting certain income and other eligibility criteria.

*Community Services Block Grant* — a federally funded grant implemented to provide community-based programs that assist in ameliorating the causes and consequences of poverty.

*Emergency Food Assistance Program* — the objective of this program is to provide food to needy people on an emergency basis.

*Medicaid* — the objective of this program is to assist people complete the Medicaid applications which are sent to the state for further processing.

**Revenue Restrictions**

Grants received from federal and state sources are recorded as permanently restricted support.

**Donated Services and Facilities**

As required by grant regulations, Head Start Grantees must provide, in the form of cash or in-kind contributions, an amount equal to 20% of the cost of the program. In accordance with SFAS No. 116, "Accounting for Contributions Received and Contributions Made" the value of donated services and facilities included in the financial statements is reported as both a revenue and expense. The value of donated services is based on the minimum wage rate in effect at the time, the value of donated facilities is based on current market rates for the area, less rent paid.

Prior to October 1, 2000, the Emergency Food Assistance Program obtained commodities from the U.S. Department of Agriculture through the Louisiana Department of Agriculture & Forestry. During that time, the cost of commodities were provided by USDA and recorded in accordance with SFAS No. 116. Effective October 1, 2000, the Greater Baton Rouge Food Bank became the distribution center for all commodities throughout a twelve parish outreach area. No estimated costs were obtained from the Greater Baton Rouge Food Bank for commodities received and Pointe Coupee Community Advancement, Inc. was unable to provide an estimate; consequently, the cost of donated items are not recorded in the statement of activities after September 30, 2000.

**Property and Equipment**

The Pointe Coupee Community Advancement, Inc. adopted a policy established by the U.S. Department of Health and Human Services in the operation of the Head Start program. All acquisitions of property and equipment in excess of \$5,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. At March 31, 2003, Pointe Coupee Community Advancement, Inc. had no un-depreciated assets that matched this policy.

**POINTE COUPEE COMMUNITY ADVANCEMENT, INC.  
NOTES TO THE FINANCIAL STATEMENTS**

**Income Tax Status**

Pointe Coupee Community Advancement, Inc. is exempt from federal income taxes under Internal Revenue Code Section 501(c)(14) and Louisiana Revenue and Taxation Code.

**NOTE 3 - CASH**

Regulations require that deposits of the Agency be insured by Federal depository insurance or collateralized by securities held in the name of the Agency by the trust department of a bank that does not hold the collateralized deposits. As of March 31, 2003, the status of deposited funds and collateralized balances are as follows:

Demand accounts	\$	24,661
Federal deposit insurance coverage		24,661
Pledged securities		0
Uninsured	\$	<u>0</u>

**NOTE 4 - GRANT FUNDS RECEIVABLE**

At March 31, 2003, the Agency is due to receive funds as follows:

U.S. Department of Health & Human Services - Head Start	\$	6,858
Louisiana Department of Education - Child & Adult Food School Lunches		<u>26,826</u>
Total	\$	<u>33,684</u>

**NOTE 5 - OPERATING LEASE COMMITMENTS**

Pointe Coupee Community Advancement, Inc. is engaged in two leasing arrangements:

1. An annual lease for administrative offices located at 331 Napoleon Street, New Roads, LA with the Pointe Coupee Parish School Board. The annual leases covered the period July 1 to June 30 at \$450.00 per month. Rent expense is recorded for the current year in the amount of \$5,400.
2. A lease with Livonia Lodge #220 for office space located at 120 Poydras Street which houses the Head Start offices. On June 18, 2002, the lease was extended for another three year term with monthly payments of \$450.00. Rent expense is recorded for the current year in the amount of \$5,400.
3. An annual lease with St. Mary Baptist Church for a Head Start center in Ibou, LA. The annual lease covered the period September 1 until May 15 at \$908.00 per month. Rent expense is recorded for the current year in the amount of \$5,180.

**POINTE COUPEE COMMUNITY ADVANCEMENT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

Future minimum lease payments over the lease term are as follows:

<u>Fiscal Year End</u>	<u>Annual Payment</u>
3/31/2004	\$ 6,300
3/31/2005	5,400
3/31/2006	900
	<hr/>
	\$ 12,600

**NOTE 6 - COMPENSATED ABSENCES**

Pointe Coupee Community Advancement, Inc. has adopted the following policy on compensated absences:

Only full-time, full-year employees are eligible for annual leave. Employees earn annual leave after a 90-day probationary evaluation is conducted and recommendation was made for retention.

1. Employees with less than 5 years of service earn 12 days per year.
2. Employees with more than 5 years of service earn 18 days per year.

All accumulated leave must be used on or before December 31 of each year. Payment for unused annual leave time shall be made upon the discharge, resignation, removal of an employee due to reduction in force, retirement, or death of an employee not to exceed 18 days.

Annual leave days are credited at the beginning of the year and decreased as time is taken; consequently, no provision for unused vacation time is accrued in the financial statements.

**NOTE 7 - CONTINGENCIES**

The Agency receives Federal and State Grants for specific purposes that are subject to review and audit by Federal and State agencies. Such audits could result in a request for reimbursement by the Federal and State for expenditures disallowed under the terms and conditions of the appropriate agency.

**NOTE 8 - REISSUED REPORT**

The Head Start Program Director reviewed the previously issued report dated January 28, 2004 and found certain items that required the reissuance of the audited financial statements. The financial statements have been corrected for (1) an adjustment to prior year's fund balance that increased expenses, (2) accounts payable was reduced for supplies, etc. that are obligations of the 2003-2004 program year, (3) expenses paid by unrestricted funds that should be recorded as a contribution instead of accounts payable, and (4) an error in the comparison of budget to actual of one-line item. The effect of these corrections is an increase in Total Revenues of \$8,983, a decrease in Total Expenses of \$3,996, and thus reducing Net Assets from (\$26,428) to (\$18,547).

## ADDITIONAL INFORMATION



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## **CURRENT UNRESTRICTED FUNDS**

The "Local Administration Fund" is the general operating fund of Points Cooper Community Advancement, Inc. It is used to account for all financial resources over which the Board of Directors has discretionary control and is used to carry out the operations of the agency in accordance with its bylaws.

**POINTE COUPEE COMMUNITY ADVANCEMENT, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**UNRESTRICTED FUNDS**  
**MARCH 31, 2003**

	<u>Local</u> <u>Administration</u>
<b>ASSETS</b>	
Cash	\$ 12,570
<b>TOTAL ASSETS</b>	<u>12,570</u>
<b>LIABILITIES</b>	
Accounts payable	0
Accrued payroll liabilities and deductions	0
<b>TOTAL LIABILITIES</b>	<u>0</u>
<b>NET ASSETS</b>	
Unrestricted - undesignated	12,570
<b>TOTAL NET ASSETS</b>	<u>\$ 12,570</u>

**POINTE COUPE COMMUNITY ADVANCEMENT, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**UNRESTRICTED FUNDS**  
**YEAR ENDED MARCH 31, 2009**

		<u>Local Administration</u>
<b>REVENUES</b>		
Local governmental contributions	\$	9,048
Miscellaneous		8,035
<b>Total Revenues</b>		<u>18,083</u>
<b>EXPENSES</b>		
Travel		841
Rent		4,328
Insurance		2,000
Maintenance and supplies		289
<b>Total Expenses</b>		<u>7,458</u>
<b>CHANGE IN NET ASSETS</b>		9,428
Net Assets at Beginning of Year		3,142
<b>NET ASSETS AT END OF YEAR</b>	<b>\$</b>	<b><u>12,570</u></b>

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## PERMANENTLY RESTRICTED FUNDS

Permanently restricted funds are expendable only for operating purposes specified by the grantor. Restricted funds of the Agency are as follows:

Head Start  
Child and Adult Food Program - School Lunch Program  
Home Energy Assistance  
Emergency Food and Shelter Program  
Community Services Block Grant  
Emergency Food Assistance Program  
Medicaid

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POINTE COULTEE COMMUNITY ADVANCEMENT, INC.  
 STATEMENT OF FINANCIAL POSITION  
 PERMANENTLY RESTRICTED FUNDS  
 MARCH 31, 2003

	Fund Start	Child and Adult Food School Lunches	Income Energy Assistance	Emergency Food & Shelter	Community Services Bank Card	Emergency Food Assistance Program	Mealbank	Total
<b>ASSETS</b>								
Cash	\$ 5,190	\$ 590	\$ 0	\$ 0	\$ 211	\$ 1,000	\$ 183	\$ 10,174
Grants and reimbursements receivable	5,000	20,000	0	0	0	0	0	25,000
<b>TOTAL ASSETS</b>	<u>14,190</u>	<u>20,677</u>	<u>0</u>	<u>0</u>	<u>211</u>	<u>1,000</u>	<u>183</u>	<u>46,174</u>
<b>LIABILITIES</b>								
Bank overpaid	\$ 0	\$ 0	\$ 266	\$ 0	\$ 0	\$ 0	\$ 0	\$ 266
Accounts payable	24,218	20,660	0	0	0	0	0	44,878
Accounts receivable	26,291	0	0	0	0	0	0	26,291
Account control liabilities and Accruals	18,493	0	410	0	2,803	12	0	31,808
<b>TOTAL LIABILITIES</b>	<u>67,002</u>	<u>20,660</u>	<u>736</u>	<u>0</u>	<u>2,803</u>	<u>12</u>	<u>0</u>	<u>91,013</u>
<b>NET ASSETS</b>								
Restricted - permanently	\$ 0	\$ 190	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 190
<b>TOTAL NET ASSETS</b>	<u>\$ 0</u>	<u>\$ 190</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 190</u>



**POINTE COULSÉ COMMUNITY ADVANCEMENT, INC.**  
**STATEMENT OF ACTIVITIES - BUDGET TO ACTUAL**  
**HEAD START PROGRAM**  
**YEAR ENDED MARCH 31, 2003**

	Budget	Actual	Variance Favorable/ (Unfavorable)
<b>REVENUES</b>			
Grant revenues	\$ 873,078	\$ 873,878	\$ 800
Grants contribution	243,270	245,723	2,453
Grant revenues - prior year carryover	100,000	100,000	
Miscellaneous	0	6,901	6,901
<b>Total Revenues</b>	<u>1,216,348</u>	<u>1,325,702</u>	<u>1,084</u>
<b>EXPENSES</b>			
<b>Direct Costs -</b>			
Personnel	814,882	821,817	(6,964)
Fringe benefits	148,203	171,488	(23,285)
Travel	48,870	69,025	(19,155)
Equipment	26,708	23,080	3,628
Supplies	18,340	45,670	(27,330)
Contractual	3,800	1,680	2,120
Facilities/maintenance	0	0	0
Other	211,824	218,671	(6,847)
<b>Total Direct Costs</b>	<u>1,073,627</u>	<u>1,150,341</u>	<u>(76,714)</u>
In-Kind Contributions	243,270	245,723	(2,453)
<b>Total Expenses</b>	<u>1,316,897</u>	<u>1,396,064</u>	<u>(79,167)</u>
<b>CHANGE IN NET ASSETS</b>	0	(70,362)	(70,362)
Net Assets at Beginning of Year	0	2,000	0
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 0</u>	<u>\$ (68,362)</u>	<u>\$ (68,362)</u>

**POINTE COUPEE COMMUNITY ADVANCEMENT, INC.**  
**STATEMENT OF ACTIVITIES**  
**CHILD AND ADULT FOOD SCHOOL LUNCHES**  
**YEAR ENDED MARCH 31, 2003**

<b>REVENUES</b>	
Grant - U.S. Department of Agriculture	\$ 78,272
<b>Total Revenues</b>	<u>78,272</u>
<b>EXPENSES</b>	
Food	78,248
<b>Total Expenses</b>	<u>78,248</u>
<b>CHANGE IN NET ASSETS</b>	24
Net Assets at Beginning of Year	<u>1,650</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 1,674</u>

**POINTE COUVEE COMMUNITY ADVANCEMENT, INC.**  
**STATEMENT OF ACTIVITIES**  
**HOME ENERGY ASSISTANCE**  
**YEAR ENDED MARCH 31, 2003**

	Program Year 2002			Program Year 2003
	Jan 01 to Mar 31	Apr 01 to Dec 31	Total	Jan 01 to Mar 31
<b>REVENUES</b>				
Grant or reimbursements	\$ 62,140	\$ 168,587	\$ 231,325	\$ 48,201
<b>Total Revenues</b>	<u>62,140</u>	<u>168,587</u>	<u>231,325</u>	<u>48,201</u>
<b>EXPENSES</b>				
Salaries and benefits	3,375	28,210	29,585	2,518
Travel	585	2,388	2,981	950
Supplies	582	818	1,400	760
Notices	327	512	839	0
Energy assistance	55,276	141,172	196,450	43,768
<b>Total Expenses</b>	<u>65,187</u>	<u>171,100</u>	<u>334,320</u>	<u>47,536</u>
<b>CHANGE IN NET ASSETS</b>	(412)	(2,573)	(2,985)	1,763
Net Assets at Beginning of Year	488	488	488	(2,487)
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 70</u>	<u>\$ (2,073)</u>	<u>\$ (2,497)</u>	<u>\$ (724)</u>

**POINTE COUPEE COMMUNITY ADVANCEMENT, INC.**  
**STATEMENT OF ACTIVITIES**  
**EMERGENCY FOOD AND SHELTER PROGRAM**  
**YEAR ENDED MARCH 31, 2003**

	Program Year 2002			Program Year 2001
	Oct 01 to Mar 31	Apr 01 to Sep 30	Total	Oct 01 to Mar 31
<b>REVENUES</b>				
Grant or reimbursements	\$ 18,848	\$ 0	\$ 18,848	\$ 18,119
<b>Total Revenues</b>	<u>18,848</u>	<u>0</u>	<u>18,848</u>	<u>18,119</u>
<b>EXPENSES</b>				
Supplies	18	21	39	
Miscellaneous	300	198	498	378
Commodities distributed	18,470	0	18,470	14,611
<b>Total Expenses</b>	<u>18,848</u>	<u>219</u>	<u>19,067</u>	<u>15,127</u>
<b>CHANGE IN NET ASSETS</b>	0	37	37	68
Net Assets at Beginning of Year	0	0	0	37
<b>NET ASSETS AT END OF YEAR</b>	<u>0</u>	<u>37</u>	<u>37</u>	<u>105</u>

**POINTE COUVEE COMMUNITY ADVANCEMENT, INC.**  
**STATEMENT OF ACTIVITIES**  
**COMMUNITY SERVICES BLOCK GRANT**  
**YEAR ENDED MARCH 31, 2003**

	Program Year 2002			Program Year 2003
	Jan 01 to Mar 01	Apr 01 to Dec 01	Total	Jan 01 to Mar 01
<b>REVENUES</b>				
Grant or reimbursements	\$ 24,834	\$ 65,348	\$ 90,674	\$ 27,021
<b>Total Revenues</b>	<u>24,834</u>	<u>65,348</u>	<u>90,674</u>	<u>27,021</u>
<b>EXPENSES</b>				
Salaries and benefits	21,810	57,484	79,072	22,985
Travel and conferences	0	0	0	0
Professional fees	0	3,129	3,129	675
Insurance	0	188	188	0
Supplies	190	3,008	3,198	1,372
Telephone	1,391	3,987	4,378	994
Rent	125	1,269	1,394	360
Administrative	3,213	739	3,952	1,621
<b>Total Expenses</b>	<u>26,329</u>	<u>69,781</u>	<u>96,110</u>	<u>27,088</u>
<b>CHANGE IN NET ASSETS</b>	(113)	(1,433)	(2,224)	(476)
Net Assets at Beginning of Year	0	0	0	(2,224)
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ (113)</u>	<u>\$ (1,433)</u>	<u>\$ (2,224)</u>	<u>\$ (2,700)</u>

**POINTE COUPEE COMMUNITY ADVANCEMENT, INC.**  
**STATEMENT OF ACTIVITIES**  
**EMERGENCY FOOD ASSISTANCE PROGRAM**  
**YEAR ENDED MARCH 31, 2003**

	Program Year 2002			Program Year 2003
	Oct 01 to Mar 01	Apr 01 to Sep 02	Total	Oct 01 to Mar 01
<b>REVENUES</b>				
Grant or reimbursements	\$ 1,725	\$ 1,500	\$ 3,225	\$ 2,700
<b>Total Revenues</b>	<u>1,725</u>	<u>1,500</u>	<u>3,225</u>	<u>2,700</u>
<b>EXPENSES</b>				
Salaries and benefits	528	473	1,000	332
Travel	200	188	421	163
Professional fees	181	351	512	277
Maintenance and supplies	127	887	1,364	892
Rent	200	75	275	175
Administrative	0	0	0	0
<b>Total Expenses</b>	<u>1,828</u>	<u>1,887</u>	<u>3,520</u>	<u>1,949</u>
<b>CHANGE IN NET ASSETS</b>	(113)	(182)	(295)	751
Net Assets at Beginning of Year	623	0	623	308
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 510</u>	<u>\$ (182)</u>	<u>\$ 328</u>	<u>\$ 1,079</u>

POINTE COUPEE COMMUNITY ADVANCEMENT, INC.  
STATEMENT OF ACTIVITIES  
MEDICAID  
YEAR ENDED MARCH 31, 2003

REVENUES

Grant or reimbursements	\$ 3,485
Total Revenues	<u>3,485</u>

EXPENSES

Salaries and benefits	2,680
Insurance	0
Supplies	42
Total Expenses	<u>3,002</u>

CHANGE IN NET ASSETS

Net Assets at Beginning of Year	473
NET ASSETS AT END OF YEAR	<u>\$ 153</u>

**POINTE COUPEE COMMUNITY ADVANCEMENT, INC.**  
**SCHEDULE OF PER DIEM AND OTHER COMPENSATION**  
**PAID TO MEMBERS OF THE BOARD OF DIRECTORS**  
**YEAR ENDED MARCH 31, 2003**

Roland J. Roberts	\$	0
Juliete Williams		0
Sylvester Muckelroy		0
Ima R. Smith		0
Gerald Fuseller		0
Linda Christophs		0
Eleanor Seibert		0
John Olinde, Sr.		0
Annie Mae Jackson		0
Yolanda Slaughter		0
Willie Wilson, Jr.		0
Robert M. Lee		0
Dotty Williams		0
Minnie Gaines, Jr.		0
Sam Adolpho		0
	<u>\$</u>	<u>0</u>



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**OTHER REPORTS REQUIRED BY**  
***GOVERNMENT AUDITING STANDARDS***

The following pages contain a report on compliance with laws and regulations and on internal control over financial reporting as required by Government Auditing Standards, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material misstatements in internal control or compliance matters that would be material to the presented financial statements.

# George F. Delaune

CERTIFIED PUBLIC ACCOUNTANT

(A Professional Corporation)

Practice Limited to Government Accounting, Auditing and Financial Reporting

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800.845.6274  
408.226.8000  
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Member  
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CERTIFIED PUBLIC ACCOUNTANTS  
AMERICAN SOCIETY OF  
GOVERNMENT ACCOUNTANTS

## INDEPENDENT AUDITOR'S 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  
of Pointe Coupee Community Advancement, Inc.

I have audited the financial statements of **POINTE COUPEE COMMUNITY ADVANCEMENT, INC.** (a nonprofit organization) as of and for the year ended March 31, 2004, and have issued my report thereon dated January 26, 2004. I conducted my 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 Pointe Coupee Community Advancement, Inc.'s financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my 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 my audit, I considered Pointe Coupee Community Advancement, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial

reporting that, in my judgment, could adversely affect Points Coupon Community Advancement, Inc.'s ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 2003-1, 2003-2, and 2003-3.

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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, I consider items 2003-1 and 2003-3 to be material weaknesses.

This report is intended solely for the information and use of the board of directors, management, the Legislative Auditor for the State of Louisiana, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. However this report is a matter of public record and its distribution is not limited.

*George F. Anderson, CPA*

January 20, 2004; amended February 11, 2004 (see Note B)

# George F. Delaune

CERTIFIED PUBLIC ACCOUNTANT  
(A Professional Corporation)

Practice Limited to Government Accounting, Auditing and Financial Reporting

Office  
10000 Wilshire Boulevard  
Suite 2000  
Los Angeles, California 90024

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Member  
American Institute of Certified Public Accountants  
California State Board of Accountancy  
Government Auditing Standards Board  
International Board of Standards and Practices for Certified Financial Accountants

## INDEPENDENT AUDITOR'S 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  
of Pointe Coupee Community Advancement, Inc.

### Compliance

I have audited the compliance of **POINTE COUPEE COMMUNITY ADVANCEMENT, INC.** (a nonprofit organization) 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 March 31, 2005. Pointe Coupee Community Advancement, Inc.'s major federal program is 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 Pointe Coupee Community Advancement, Inc.'s management. My responsibility is to express an opinion on Pointe Coupee Community Advancement, Inc.'s compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America, 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, *Audit of State, Local Governments, and Non-Profit Organizations*. - These standards and OMB Circular A-133 require that I 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 Pointe Coupee Community Advancement, Inc.'s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on Pointe Coupee Community Advancement, Inc.'s compliance with those requirements.

In my opinion, Pointe Coupee Community Advancement, 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 March 31, 2003.

#### *Internal Control Over Compliance*

The management of Pointe Coupee Community Advancement, 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 my audit, I considered Pointe Coupee Community Advancement, 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 my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My 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. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended solely for the information of the board of directors, management, federal agencies and pass-through entities, and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However this report is a matter of public record, and its distribution is not limited.

*George F. Delane, CPA*

January 23, 2004; revised February 12, 2004 (see Note 8)

**POINTE COUREE COMMUNITY ADVANCEMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED MARCH 31, 2003**

Federal Grantor/ Pass-Through Grantor/ Program Name	CFDA Number	Agency or Pass-through Number	Federal Disbursements/ Expenditures
<b>U.S. Department of Health &amp; Human Services</b>			
Direct Program -			
Head Start <u>(Public program)</u>	93.600		\$ 1,143,488
LA Department of Labor -			
Community Services Block Grant	93.589	04P9003	94,380
LA Department of Social Services -			
Home Energy Assistance	93.548	04690/375-3180	216,696
<b>U.S. Department of Agriculture</b>			
LA Department of Education -			
Emergency Food Assistance Program	16.550	N/A	3,621
Child & Adult Care Food Program - School Lunches	16.557	N/A	78,140
<b>Federal Emergency Management Agency</b>			
Direct Program -			
Emergency Food & Shelter Program	93.525	N/A	16,690
<b>Total Federal Awards</b>			<b>\$ 1,553,275</b>

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of expenditures of federal awards is a summary of the activity of the Agency's federal award programs presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

**NOTE B - HEAD START**

In accordance with terms of the grant, the Agency has documented matching in-kind contributions totaling \$245,723 during the year ended March 31, 2003.

**POINTE COUPEE COMMUNITY ADVANCEMENT, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED MARCH 31, 2000**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the financial statements of Pointe Coupee Community Advancement, Inc.
2. 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 three reportable conditions were disclosed during the audit of the financial statements.
3. Two instances of noncompliance material to the financial statements of Pointe Coupee Community Advancement, Inc. were disclosed during the audit.
4. In the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 no reportable conditions were disclosed during the audit of the major federal award programs.
5. The auditor's report on compliance for the major federal award programs for Pointe Coupee Community Advancement, Inc. expresses an unqualified opinion.
6. Audit findings relative to the major federal award programs for Pointe Coupee Community Advancement, Inc. are reported in Part C. of this Schedule.
7. The programs tested as major programs included:
  - a. Head Start -- CPDA No. 03-600
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Pointe Coupee Community Advancement, Inc. was determined not to be a low-risk auditee.

**B. FINDINGS — FINANCIAL STATEMENTS AUDIT**

**Material Reportable Condition**

**2003-1 Over Expenditure of Financial Assistance Award - Head Start Program**

**Condition**

Expenses exceeded the Federal Financial Assistance Award by \$76,360.

**Cause**

Monthly comparison of actual to budget monitoring of operations was not performed.

**Recommendation**

The Head Start Director should review the monthly actual to budget statement of financial activities and make projections for the remainder of the program year. These monthly statements and projections should then be reviewed with the Executive Director and Board of Directors.



## **2003-2 Disbursements Made From Wrong Funding Source**

### **Condition**

Disbursements were made in the Home Energy Assistance Program, Community Services Block Grant, and Emergency Food Assistance Program for expenses of other programs when cash available in the other programs was insufficient to pay the obligations.

### **Cause**

This caused errors in reporting the actual expense and the disbursements were not reimbursed on a timely basis.

### **Recommendation**

Management should adopt a policy to provide temporary loans from the Unrestricted Account to the Restricted Accounts when cash is short and the accountant should report to the Executive Director on a monthly basis the status of any un-reimbursed advances.

## **Material Reportable Condition**

## **2003-3 Accounting Records Not Kept Current and Errors in Postings**

### **Condition**

In May 2003, I reviewed the financial records (general ledger) for Home Energy Assistance, Emergency Food and Shelter Program, Community Services Block Grant, Emergency Food Assistance Program, and Medicaid in order to plan a date to start the audit. At that time, I found that the accounting records were not current and requested the Executive Director to have the accountant to bring the accounting current.

In July 2003, I again reviewed the general ledgers and found that the accounting was still not current.

Then in September 2003, I obtained a copy of the general ledgers for these programs and found numerous errors. I requested the accountant to correct the errors before I started the audit.

In October 2003, I again obtained a copy of the general ledgers and still found uncorrected errors. I then printed detail general ledgers and marked the questionable transactions that I wanted the accountant to review the posting to insure it was accurate.

### **Cause**

These problems caused my scheduling of this audit to be delayed and also caused a conflict with other audits that I had scheduled later in the year. Consequently, the due date of this audit (September 30, 2003) was not met.

### **Recommendation**

The accountant for these programs should provide the Executive Director with reports on a monthly basis indicating that the accounting is current.

C. FINDINGS AND QUESTIONED COSTS — MAJOR FEDERAL AWARD PROGRAMS AUDIT

NONE

**Pointe Coupee Community Advancement, Inc.**  
337 Napoleon Street  
New Roads, Louisiana  
(225) 638-3636

**CORRECTIVE ACTION PLAN**

*Legislative Auditor*  
State of Louisiana

Pointe Coupee Community Advancement, Inc. respectfully submits the following corrective action plan for the year ended March 31, 2023.

Name and address of independent public accounting firm:  
George F. DeLuca, CPA, APC  
7663 Anchor Drive  
Vernon, LA 70783

Audit Period: April 1, 2022 to March 31, 2023

The findings from the March 31, 2023, Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the number assigned in the schedule.

Section 1 of the schedule, Summary of Audit Results, does not include findings and is not addressed.

**Section 2 FINDINGS - FINANCIAL STATEMENTS AUDIT**

**Material Reportable Condition**

2023-1 Over Expenditure of Financial Assistance Award - Head Start Program

**Condition**

Expenses exceeded the Federal Financial Assistance Award by \$70,062.

**Recommendation**

The Head Start Director should review the monthly actual to budget statement of financial activities and make projections for the remainder of the program year. These monthly statements and projections should then be reviewed with the Executive Director and Board of Directors.

#### **Corrective Action Being Taken**

Management agrees with the auditor's recommendation and has implemented the procedure.

#### **2003-2 Disbursements Made From Wrong Funding Source**

##### **Condition**

Disbursements were made in the Home Energy Assistance Program, Community Services Block Grant, and Emergency Food Assistance Program for expenses of other programs when cash available in the other programs were insufficient to pay the obligation.

##### **Recommendation**

Management should adopt a policy to provide temporary loans from the Unrestricted Account to the Restricted Accounts when cash is short and the accountant should report to the Executive Director on a monthly basis the status of any un-reimbursed advances.

#### **Corrective Action Being Taken**

Management agrees with the auditor's recommendation and has adopted the policy and implemented this procedure.

#### **Material Reportable Condition**

#### **2003-3 Accounting Records Not Kept Current and Errors in Postings**

##### **Condition**

In May 2003, I reviewed the financial records (general ledgers) for Home Energy Assistance, Emergency Food and Shelter Program, Community Services Block Grant, Emergency Food Assistance Program, and Medicaid in order to plan a date to start the audit. At that time, I found that the accounting records were not current and requested the Executive Director to have the accountant to bring the accounting current.

In July 2003, I again reviewed the general ledgers and found that the accounting was still not current.

Then in September 2003, I obtained a copy of the general ledgers for these programs and found numerous errors. I requested the accountant to correct the errors before I started the audit.

In October 2003, I again obtained a copy of the general ledgers and still found uncorrected errors. I then printed detail general ledgers and marked the questionable transactions that I wanted the accountant to review the posting to insure it was accurate.

**Recommendation**

The accountant for these programs should provide the Executive Director with reports on a monthly basis indicating that the accounting is correct.

**Corrective Action Being Taken**

Management agrees with the auditor's recommendation and has implemented this procedure.

If the Legislative Auditor has questions regarding this plan, please call Clint Flint, Executive Director at (215) 658-3636.

Sincerely yours,

Clint Flint, Executive Director