

**COMMUNITY OUTREACH
OPPORTUNITY PROGRAMS, INC.**

**FINANCIAL STATEMENTS
AND
SINGLE AUDIT REPORTS**

PERIOD ENDED JUNE 30, 1996

*Donald L. Allen
Certified Public Accountant
7739 Highway One South
Alexandria, LA 71302*

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.

**FINANCIAL STATEMENTS
AND AUDIT REPORTS
for the year ended June 30, 1996**

OFFICIAL
FILE COPY
DO NOT SEND OUT
(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

TABLE OF CONTENTS

| | <u>Page</u> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Independent Accountant's Report | 1 |
| FINANCIAL STATEMENTS | |
| Statement of Financial Position | 2 |
| Statement of Activities & Changes in Net Assets | 3 |
| Statement of Cash Flows | 4 |
| Expenditures by Functional Nature | 5 |
| Notes to Financial Statements | 6 |
| SUPPLEMENTARY INFORMATION | |
| Independent Accountant's Report on Internal Control Structure in Accordance with Government Auditing Standards | 10 |
| Independent Accountant's Report on Compliance with Laws and Regulations based on an Audit of Financial Statements performed in Accordance with Government Auditing Standards | 13 |
| Independent Accountant's Report on Graphics Graphics | 15 A-C |

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 7-31-96

Donald L. Allen
Certified Public Accountant

Member:
AICPA

Post Office Box 1670
Alexandria, LA 71309-1670
Phone (318) 445-3900
Fax # (318) 445-3555

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors
COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.
Alexandria, Louisiana

I have audited the accompanying statement of financial position of Community Outreach Opportunity Programs, Incorporated as of June 30, 1996 and the related statements of activities and changes in net assets and statement of cash flows and expenditures by functional nature for the year then ended.

I conducted my audit in accordance with generally accepted auditing standards and Government auditing standards, issued by the Comptroller General of the United States. Those 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 Community Outreach Opportunity Programs, Incorporated as of June 30, 1996, and the results of its activities and changes in net assets for the year then ended in conformity with generally accepted accounting principles.

Donald L. Allen

Certified Public Accountant
Alexandria, Louisiana
July 22, 1996

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.

Statement of Financial Position
For the year ended June 30, 1996

ASSETS

| | |
|--------------------------------------|-------------------------|
| Cash | \$ 15,192 |
| Furniture, Fixtures and Equipment(2) | <u>54,199</u> |
| Total Assets | \$ <u>69,391</u> |

LIABILITIES AND NET ASSETS

| | | |
|-----------------------------------------|--------------|-------------------------|
| <u>Liabilities</u> | | |
| Accounts Payable | \$9,643 | |
| Accrued Expenditures | <u>5,549</u> | |
| Total Liabilities | | 15,192 |
| Net Assets (Temporarily Restricted) | | <u>54,199</u> |
| Total Liabilities and Net Assets | | \$ <u>69,391</u> |

The accompanying notes to financial statements are an integral part of these financial statements

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.

Statement of Activities
and Changes in Net Assets
For the year ended June 30, 1996

CONTRIBUTIONS AND REVENUES

| | |
|------------------------------------------|--------------|
| Contribution (Temporarily Restricted)(3) | \$225,000 |
| Contributions (Unrestricted)(4) | 5,357 |
| In-Kind Contribution | <u>3,150</u> |
| Total Contributions and Revenue | 233,507 |

EXPENDITURES

| | | |
|--------------------------------------------------|---------------|----------------|
| <u>Program Services:</u> | | |
| Tutorial Assistance and Educational Services (5) | 177,973 | |
| <u>Support Services:</u> | | |
| Management and General Expenditures (6) | <u>52,384</u> | |
| Total Monetary Expenditures | 230,357 | |
| <u>In-Kind Expenditures:</u> | <u>3,150</u> | |
| Total Expenditures | | <u>233,507</u> |

CONTRIBUTIONS OVER EXPENDITURES

- -

CHANGES IN NET ASSETS

| | |
|--------------------------------|------------------|
| Net Assets @ beginning of year | <u>34,121</u> |
| Addition, Equipment (7) | <u>20,078</u> |
| Net Assets @ end of year | <u>\$ 54,199</u> |

The accompanying notes to financial statements are an integral part of these financial statements

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.

Statement of Cash Flows (Indirect)
For the year ended June 30, 1996

Net Cash provided from Statement of Activities \$ 0

Adjustment to Results of Statement of Activities

(Deduct Activities Requiring Cash Outlays)

Accounts Payable Decrease (9,033)
Decrease of Accruals (5,157)

Total Adjustments to Statement of Activities (14,190)

Investing & Financing-Type Activities

Investing Type Activities (Temporarily Restricted) (20,078)
Financing Type Activities (Temporarily Restricted) 20,078

Net Change Due to Investing/Financing Activities 0

Cash Decrease

Net Cash Used (14,190)

Cash @ beginning fiscal year 29,382

Cash @ end of year \$15,192

The accompanying notes to financial statements are an integral part of these financial statements

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.

Expenditures by Functional Nature
For the year ended June 30, 1996

| <u>Functional Expenditures</u> | <u>Program Services</u> | <u>Management Expenditures</u> | <u>Total</u> |
|--------------------------------------|-------------------------|--------------------------------|-------------------------|
| Salaries | \$ 17,221 | \$ 30,200 | \$ 47,421 |
| Fringe Benefits | 953 | 3,220 | 4,173 |
| Consultants | 2,145 | 1,513 | 3,658 |
| Equipment Purchases | 19,111 | 967 | 20,078 |
| Insurance | 1,106 | 2,044 | 3,150 |
| Maintenance/Repairs | - - | 3,571 | 3,571 |
| Postage | - - | 206 | 206 |
| Professional Services | 4,230 | 913 | 5,143 |
| Registrations | 5 | - - | 5 |
| Rent | 8,366 | 3,750 | 12,116 |
| Scholarships & Awards | 2,300 | - - | 2,300 |
| Supplies | 5,213 | 4,120 | 9,333 |
| Travel | 61 | - - | 61 |
| Tutorial (Other) Assistance/Services | 115,897 | 968 | 116,865 |
| Utilities | <u>1,365</u> | <u>912</u> | <u>2,277</u> |
| Total Functional Expenditures | <u>\$177,973</u> | <u>\$ 52,384</u> | <u>\$230,357</u> |

The accompanying notes to financial statements are an integral part of these financial statements

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.

Notes to Financial Statements

June 30, 1996

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Reporting Entity

The Community Outreach Opportunity Programs, Inc. (herein-after, COOP) funds and facilitates moneys derived from its Grant sources to organizations located throughout the Central Louisiana area, dedicated to providing educational, tutoring, arts, counseling and related services for the uplift of the targeted area. Funds for COOP's activities are provided by the Governor's Office on Urban Affairs of the State of Louisiana. Other than its management, operational expenditures, all sources of available revenues are passed to qualified organizations and targeted persons performing the mentioned services, herein as well as related expenditures, thereof.

COOP has obtained tax-exempt status under the Internal Revenue Service Code Section 501 (c) (3), and is operating as a tax-free entity in the public domain and is equally qualified as such with the Secretary of the State of Louisiana. Tax information is of an informing nature and has been filed with the appropriate agencies at the completion of this audit.

Basis of Preparation

The financial statements of COOP have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Fund Accounting

In the past, Funds have been used to show the limitations and restrictions placed on resources and there subsequent use with the limitations being placed on the principles of fund accounting. That process relied on custodianship rather than for profit or loss recordkeeping. The current trend of fund accounting relies on the Net Asset approach to reporting with appropriate restrictions (or the lack thereof) being placed on assets and contributions. This concept differs with the all fund, or fund balance method of reporting funds established according to their nature and purposes. COOP is now keeping records and reporting in line with the latest changes according to Generally Accepted Accounting Principles (GAAP).

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.

Notes to financial statements (Continued)

For the period ended June 30, 1996

Revenue Recognition

Contributions are substantially derived from the *State of Louisiana*, provided by the Governor's Office on Urban Affairs. Contributions are recorded when earned. All contributions are considered to be temporarily restricted unless otherwise designated at the time of gift. "In-Kind Contributions" are validated, accepted gifts made to COOP and treated equally as an expenditure during the same/related, period.

NOTE 2 PROPERTY AND EQUIPMENT

The State of Louisiana's Governor's Office on Urban Affairs has legal title to all property and equipment purchased by COOP with Grant Contributions, which represent those exhibited, here. In the event the program discontinues, this equipment reverts back to the State of Louisiana or is disposed of according to the Secretary of State's direction.

Rather than systematically and rationally write down the obsolescence of assets over their normal useful lives, assets here are first expended in accordance with their "line item appropriation" then recapitalized as Assets (resulting in Net Assets) for recordkeeping purposes as stated above. So the asset portion of the Statement of Position is more for records than accumulated or contra-account maintenance. Or, said another way, the purchase of the equipment with Grant Contributions is an expendable item in the year of purchase, and individual records of all assets purchased are maintained by COOP in its ledgers and inventoried at intervals.

This amount, \$54,199, comprises last year's asset balance (\$34,121) plus the current fiscal year's additions (see statement of changes in Net Assets) of \$20,078.

NOTE 3 STATE GRANT

The sole Grant received for the current fiscal year by COOP was provided by the State of Louisiana, Governor's Office. No Federal Financial Assistance has been received in this, or previous, periods.

COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.

Notes to financial statements (continued)

For the period ended June 30, 1996

NOTE 4 UNRESTRICTED CONTRIBUTIONS

Refunds that have been received this period from Grants submitted to agencies and not used at the end of their operating cycle that extended beyond the fiscal period of COOP are re-used by COOP in the succeeding period as revenue. Those contributions not used by Grantees submitted to COOP during the operating cycle are reversed and redistributed/disbursed. Any *free-will* Donations to COOP are included in this category as *unrestricted contributions*.

NOTE 5 TUTORIAL ASSISTANCE AND EDUCATIONAL SERVICES

The sum total of these funds represent the amount necessary and expended, directly to satellite agencies implementing the services of COOP for which the Grant funds are primarily intended that include programs for the arts and other educational affairs.

NOTE 6 MANAGEMENT AND GENERAL EXPENDITURES

To coordinate and conduct the many programs, these expenditures are necessary and accounted for as though they were part of a *foundation (or corporate)* type, account. As per above, expenditures are separately isolated and reported on, as shown in the statement of expenditures of a functional nature, in the financial statements.

NOTE 7 ADDITIONS, EQUIPMENT

Were it not for the treatment as shown in Note 2, this category would not exist. On the other hand, to meet its *full disclosure* requirements, COOP's asset addition policy can be presented on the face of the financial statements, in this fashion.

**SUPPLEMENTARY
INFORMATION**

Donald L. Allen
Certified Public Accountant

Member:
A.I.C.P.A.

Post Office Box 1670
Alexandria, LA 71309-1670
Phone (318) 445-3900
Fax # (318) 445-3555

**INDEPENDENT ACCOUNTANT'S REPORT ON INTERNAL CONTROL
STRUCTURE IN ACCORDANCE WITH
"GOVERNMENT AUDITING STANDARDS"**

To the Board of Directors
COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.
Alexandria, Louisiana

I have audited the financial statements of Community Outreach Opportunity Programs, Inc. as of and for the year ended June 30, 1996 and have issued my report thereon dated July 22, 1996.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-133, "Audits of Institutions of Higher Education and Other Non-profit Institutions." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether Community Outreach Opportunity Programs, Inc. complied with laws and regulations.

In planning and performing my audit of the financial statements of Community Outreach Opportunity Programs, Inc. for the year ended June 30, 1996, I considered its internal control structure 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 structure.

The management of Community Outreach Opportunity Programs, Inc. is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objective of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from

unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of non compliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories

Activity Cycles

- * Purchases/disbursements
- * External/financial reporting
- * Payroll/personnel

Financial Statement Captions

- * Cash
- * Furniture, Fixtures and Equipment
- * Accounts Payable
- * Accrued Expenditures
- * Net Assets

Accounting Applications

- * Accounts Payable
- * Cash disbursements
- * Payroll
- * Equipment and furniture
- * General ledger

General Requirements

- * Political activity
- * Civil rights
- * Cash management
- * Drug free workplace
- * Administration requirements

Specific Requirements

- * Type of services
- * Eligibility
- * Reporting

For all of the categories listed above, I obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and I assessed control risk

I performed test of controls, as required by OMB Circular A-133, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material noncompliance with general requirements and specific requirements. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited or that noncompliance with laws and regulations that would be material 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 structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions, and accordingly, would not necessarily disclose all reportable conditions that are considered to be material weaknesses as defined above.

I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

In my opinion, COOP complied, in all material respects, with requirements referred to above.

This report is intended for the information of the Board of Directors, Management, Legislative Auditor's Office of the State of Louisiana, The Governor's Office on Urban Affairs and other oversight agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Certified Public Accountant
Alexandria, Louisiana
July 22, 1996

Donald L. Allen
Certified Public Accountant

Member:
A.I.C.P.A.

Post Office Box 1670
Alexandria, LA 71309-1670
Phone (318) 445-3900
Fax # (318) 445-3555

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
"GOVERNMENT AUDITING STANDARDS"**

To the Board of Directors
COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.
Alexandria, Louisiana

I have audited the financial statements of Community Outreach Opportunity Programs, Inc. as of and for the year ended June 30, 1996 and have issued my report thereon dated July 22, 1996.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Community Outreach Opportunity Programs, Inc. is the responsibility of Community Outreach Opportunity Programs, Inc.'s management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of Community Outreach Opportunity Programs, Inc.'s compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of the audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests indicate that, with respect to the items tested, Community Outreach Opportunity Programs, Inc. complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that Community Outreach Opportunity Programs, Inc., had not complied, in all material respects, with those provisions.

This report is intended for the information of the Board of Directors, Management, the Legislative Auditor's office of the State of Louisiana, The Governor's Office of the State of Louisiana and oversight agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Ronald L. Allen

Certified Public Accountant
Alexandria, Louisiana
July 22, 1995

Donald L. Allen
Certified Public Accountant

Member:
A.I.C.P.A.

Post Office Box 1670
Alexandria, LA 71309-1670
Phone (318) 445-3900
Fax # (318) 445-3555

**INDEPENDENT ACCOUNTANT'S
REPORT ON GRAPHICS**

To the Board of Directors
COMMUNITY OUTREACH OPPORTUNITY PROGRAMS, INC.
Alexandria, Louisiana

I have audited the financial statements of Community Outreach Opportunity Programs, Inc. (a nonprofit organization), as of and for the year ended June 30, 1996, and have issued my report thereon dated July 22, 1996. These financial statements are the responsibility of Community Outreach's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether these Graphs which are based on Functional Expenditures are indicative of the data from which they arrive and are free of material misstatements. An audit includes assessing the accounting principles used and significant estimates made by management. I believe that my audit provides a reasonable basis for my opinion.

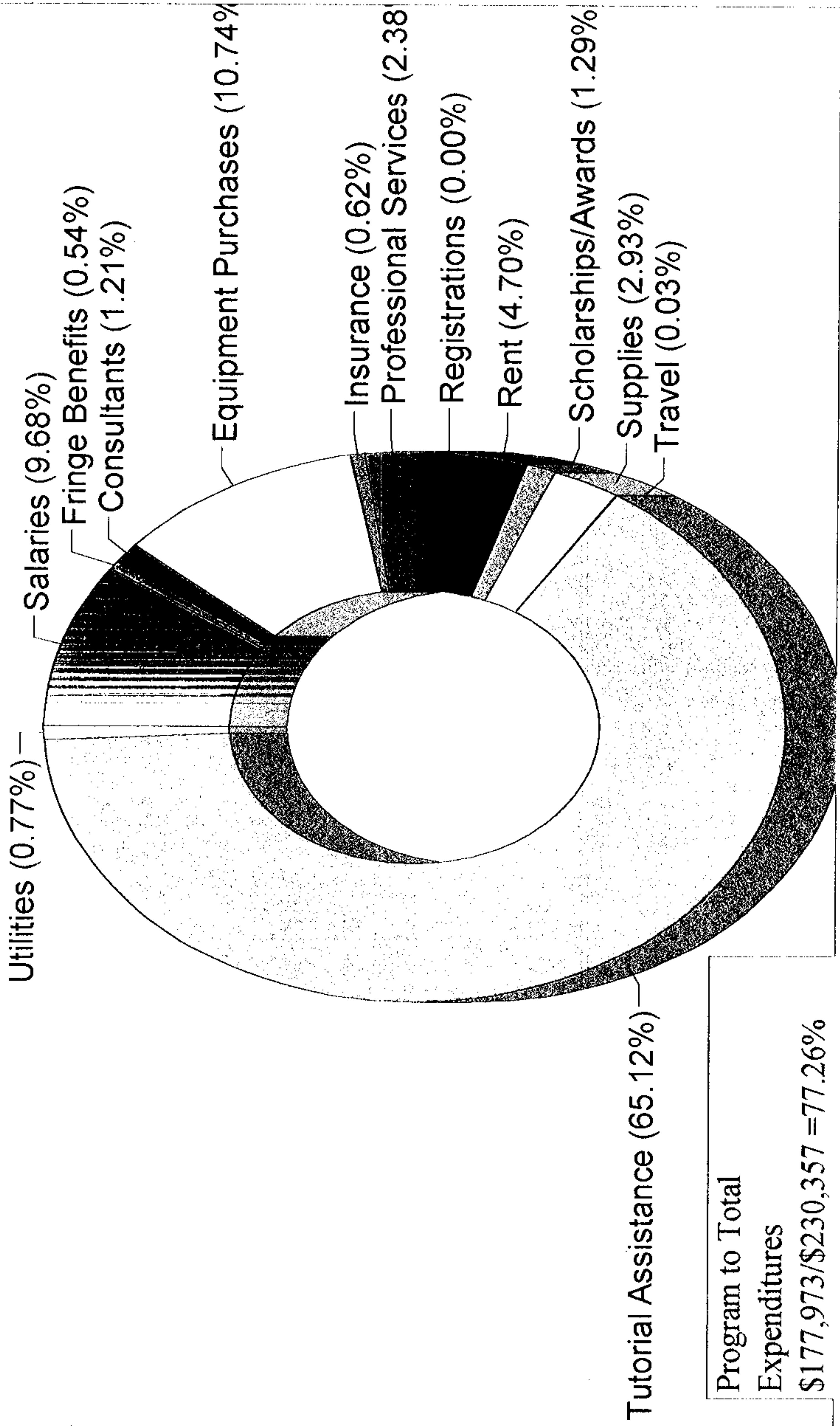
In my opinion, the Graphs presented herein as well as Graphics applied to the representative data, present fairly, in all material respects, expenditures made by Community Outreach Opportunity Programs, Inc. of a Functional Nature for the period ended June 30, 1996.

Nothing came to my attention that any part of this Graphics display had to be altered to be in conformity with generally accepted accounting principles.

Donald L. Allen

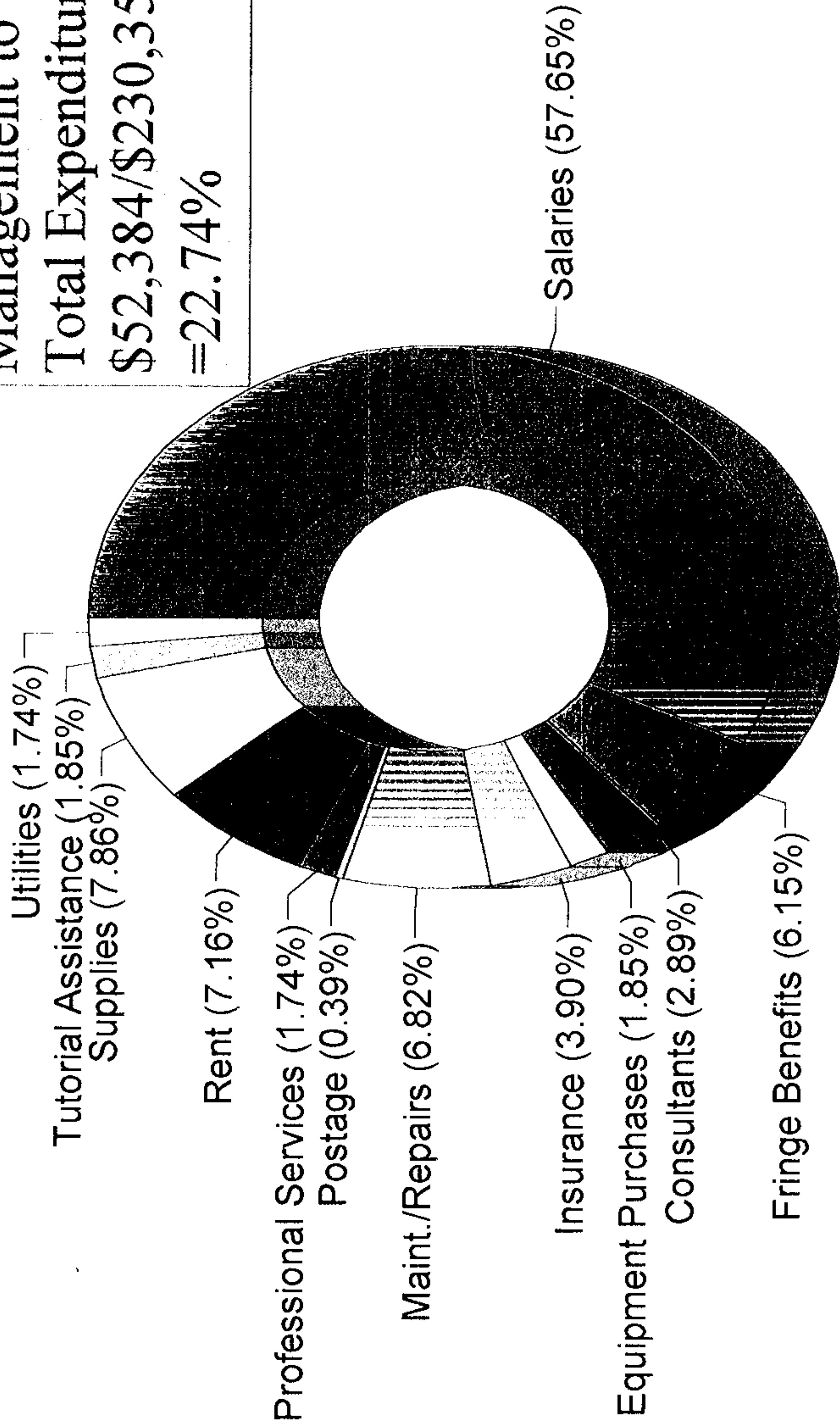
Certified Public Accountant
Alexandria, Louisiana
July 22, 1996

PROGRAM SERVICES



MANAGEMENT EXPENDITURES

Management to
Total Expenditures
\$52,384/\$230,357
=22.74%



**Com.
Outreach
Program &
Mgmt
Expenditures
Combined**

