

Comment #8: We tested two months of CMB and Adult Care Fund Program reimbursement reports. For one month tested, one center's meals for that month were not included in the reimbursement report due to an error that was made in calculating the trials for all centers. This resulted in an understatement of meals served.

We suggest that someone be assigned to prepare the reports each month and that the individual responsible for preparing the report to verify the accuracy of the totals and to ensure that all centers are accounted for on the reimbursement report.

Comment #9: The agency does not have a current Purchasing Procedures Manual, which results in inconsistent purchasing processes.

We suggest that the agency develop a Purchasing Procedures Manual that details at a minimum, each funding source's purchasing requirements, the documentation requirements for the bid process, the approval process for purchases, procedures for ensuring that all purchases are in compliance with the appropriate budget, the criteria for determining an emergency purchase and the appropriate procedures to follow for an emergency purchase. The manual should also detail the procedures to follow for purchases that do not fall under a specific funding source, or for purchases that fall under a funding contract that does not have formal purchasing requirements.

Comment #10: Section 46 of CMB Chapter A-110 states that some form of cost or price analysis shall be made and documented in the procurement file in connection with every procurement action. During the course of our audit there were numerous purchases for supplies that had no written bids, quotes or pricing analysis.

We suggest that some form of price analysis be obtained and documented in connection with all purchases for all programs.

Comment #11: Several checking accounts of the agency carried a negative cash balance at various times throughout the year. No checks were returned by the bank, but non-sufficient funds charges were assessed to the accounts.

We recommend that a system be put in place to properly monitor the cash balance in each bank account in order to ensure that checks are not issued if funds are not available in the bank.

This letter is furnished solely for the use of management and is not to be used for any other purpose.


Cook & Morehart
Certified Public Accountants
July 18, 2000

In accordance with Government Auditing Standards, we have also issued a report dated July 18, 1998 and shown on pages 32-34 on our consideration of Caddo Community Action Agency, Inc.'s internal control structure and a report dated July 18, 1998 and shown on page 29 on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental information schedules listed in the table of contents, and shown on pages 14-15, are presented for the purpose of additional analysis and are not a required part of the financial statements of Caddo Community Action Agency, Inc. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

The accompanying supplemental schedules, listed as "Supplemental Schedules Prepared For Grants and Contracts Analysis" in the table of contents and shown on pages 32-38, are presented for the purpose of providing various funding sources of Caddo Community Action Agency, Inc., additional individual grant and contract analysis and are not a required part of the financial statements. The information is prepared on a pro-rata basis of the various funding sources of Caddo Community Action Agency, Inc., and certain schedules are for periods other than the Caddo Community Action Agency, Inc.'s audit year. These schedules are not presented in accordance with generally accepted accounting principles. Accordingly, the schedules mentioned previously on pages 32-38 are not intended to present financial position and results of operations in conformity with generally accepted accounting principles. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion they are fairly stated on the basis of accounting practices prescribed by the various funding sources.

Cook & Morehart
Certified Public Accountants
July 15, 1998

Caddo Community Action Agency, Inc.
 Shreveport, Louisiana
 Statement of Financial Position
 January 31, 1998

Assets

Current assets:

Cash	\$ 185,829
Grant receivables	498,861
Due from other funds	87,851
Prepaid expenses	64,746
Other assets	5,782
Total current assets	783,070

Noncurrent assets:

Property and equipment	1,285,808
Accumulated depreciation	(1,505,548)
Total noncurrent assets	780,260

Total Assets

\$ 1,563,331

Liabilities and Net Assets

Current liabilities:

Accounts payable	\$ 429,818
Liens payable	30,808
Accrued liabilities	181,805
Due to other funds	87,851
Refundable advances	158,742
Total current liabilities	889,024

Net assets, restricted:

Investments	
Operating	\$ 182,820
Fund assets	751,891
Total net assets	934,711

Total liabilities and Net Assets

\$ 1,563,331

The accompanying notes are an integral part of this statement.

East Community Action Agency, Inc.
 Shreveport, Louisiana
 Weatherization Assistance Program
 Louisiana Department of Social Services
 Office of Community Services
 OCS No. 370211

Schedule of Revenues, Expenses and Changes in Fund Balance
 For the Contract Period: April 1, 1984 to March 31, 1985

	<u>Budget</u>	<u>Actual</u>	<u>(Over) Under Budget</u>
Revenue:			
Contract revenue	\$ 474,800	\$ 471,045	
Expenses:			
Administrative costs	27,272	30,222	(3,045)
Program support	290,800	290,776	2,024
Materials	170,040	164,768	5,272
Liability insurance	3,001	10,001	(7,000)
Training and technical assistance	3,287	3,120	1,167
General audit	11,620	-	11,620
Total expenses	<u>\$ 413,950</u>	<u>\$ 462,109</u>	<u>\$ 31,259</u>
Excess revenue (expense)		27,836	
Fund balance, beginning April 1, 1984		10,800	
Fund balance, ending March 31, 1985		<u>\$ 43,636</u>	

Cable Community Action Agency, Inc.
 Shreveport, Louisiana
 Statement of Activities
 For the Year Ended January 31, 1998

	<u>Reimbursed</u>
Revenues and Other Support:	
Contracted revenue - grants	\$ 5,844,591
Miscellaneous revenues	67,686
Total revenues and other support	<u>5,912,277</u>
Expenses:	
Head Start program	4,285,825
Child care food program	484,150
Community services	472,681
Weatherization assistance	303,840
Home energy assistance	479,684
Family day care services	518,008
Homeless assistance	30,410
Water assistance	8,578
Summer food service	58,843
Emergency food and shelter	13,098
Food distribution	11,678
Other general services	60,121
Total expenses	<u>6,843,136</u>
Change in net assets	<u>89,041</u>
Net assets as of beginning of year	(55,818)
Prior period correction	838,318
Net assets, as of beginning of year, as restated	<u>562,290</u>
Net assets as of end of year	<u>\$ 651,331</u>

The accompanying notes are an integral part of this statement.

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Eadie Community Action Agency, Inc.
 Shreveport, Louisiana
 Statement of Cash Flows
 For the Year Ended January 31, 1996

Operating activities

Change in net assets	\$ 80,821
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	134,948
(Increase) decrease in operating assets:	
Grant receivables	447,480
Due from other funds	1 24,238
Prepaid expenses	1 84,742
Other assets	1 243
Increase (decrease) in operating liabilities:	
Accounts payable	(180,608)
Accrued liabilities	14,813
Due to other funds	34,238
Receivable advances	1 218,868
Net cash provided by operating activities	<u>217,382</u>

Investing Activities

Payments for property and equipment	(247,373)
Net cash used in investing activities	<u>(247,373)</u>

Financing Activities

Repayments of loan payable	1 68,080
Net cash used in financing activities	<u>1 68,080</u>

Net (decrease) in cash and cash equivalents 1 80,471

Cash and cash equivalents as of beginning of year 185,436

Cash and cash equivalents as of end of year \$ 185,471

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

Eads Community Action Agency, Inc.
Shreveport, Louisiana
Notes to Financial Statements
January 31, 1998

10 Summary of Significant Accounting Policies

A. Nature of Activities

Eads Community Action Agency, Inc. (ECAA) has been reported in prior years as a component unit of the Eads Parish Commission. The Commission was appointing ECAA's Executive Director and served as the oversight authority of ECAA. During October, 1984 the Eads Parish Commission made the decision to not select or approve the governing board members of ECAA. It is the Eads Parish Commissioner's position that ECRA is an independent entity and will be reported as such for the year ended January 31, 1998. The reporting format of ECRA's financial statements have been revised this year to reflect this change.

Eads Community Action Agency, Inc. (ECAA) is a private nonprofit corporation incorporated under the laws of the State of Louisiana. ECAA is governed by a Board of Directors composed of 75 members from Eads Parish.

ECRA operates as a community action agency administering various federal and state funded programs designed to provide assistance to the poor and disadvantaged in Eads, Rapides and Lincoln Parish in Louisiana. The following programs are administered by ECRA:

Head Start Program - Provides comprehensive early child development for disadvantaged and handicapped preschool children and their families. Funding is provided through federal funds from the U. S. Department of Health and Human Services, and federal funds from H.R.S.A. passed through the Child Care Food Program, State of Louisiana, Department of Education.

Community Services Block Grant - Administers various programs to help responsibilities and provide assistance to the poor, disadvantaged and unemployed through housing services, community projects, nutrition services, emergency assistance, employment services, transportation services, and other services. Funding is provided by federal funds passed through the State of Louisiana, Department of Labor.

Weatherization Assistance Program - Provides assistance to weatherize (insulate the dwellings of low-income persons, particularly the elderly and handicapped low-income in order to conserve needed energy and aid these persons least able to afford higher utility costs. Funding is provided by federal funds passed through the State of Louisiana, Department of Social Services.

Home Energy Assistance Program - Provides assistance to low income households to offset the burden of high energy costs. Funding is provided by federal funds passed through the State of Louisiana, Department of Social Services.

Family Day Care Home Program - Provides a food service program for children in private nonprofit centers of approximately 120 homes. Funding is provided by federal funds passed through the State of Louisiana, Department of Education.

Cade's Community Action Agency, Inc.
Shreveport, Louisiana
Notes to Combined Financial Statements
(Continued)
January 31, 1985

Emergency Community Services Homeless Program - Provides assistance such as housing, food, utilities and medicine to homeless individuals. Funding is provided by federal funds passed through the State of Louisiana, Department of Labor.

Shreveport Water Assistance Program - Provides assistance to hardship families in paying their water bills. Funding is provided by a contract with the City of Shreveport.

Summer Food Service Program - Provides a food service program for needy children during the summer months when area schools are closed for the summer. Funding is provided by federal funds passed through the Louisiana Department of Education.

Emergency Food and Shelter Program - Provides funding to purchase food and shelter for people in emergency situations. Funding is provided by federal funds from the U.S. Federal Emergency Management Agency.

Food Distribution Program - Operates to improve the diets of individuals in need of food assistance, and to increase the market of domestically produced foods acquired under surplus removal or price support operations. Funding is provided by federal funds passed through the State of Louisiana, Department of Agriculture and Forestry.

B. Basis of Accounting

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

C. Basis of Presentation

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

D. Income Tax Status

CCAA is in the process of obtaining exempt status from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to CCAA's tax-exempt purpose is subject to taxation as unrelated business income. CCAA had no such income for this audit period.

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Notes to Combined Financial Statements
(Continued)
January 31, 2005

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

F. Cash and Cash Equivalents

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

G. Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method.

H. Retirement Obligations

The employees of CCAA are members of the Social Security System. There are no other retirement plans available through CCAA.

I. Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Contractual grant revenue is reported as unrestricted support due to the restrictions placed on these funds by the funding sources being met in the same reporting period as the revenue is earned.

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

Cade Community Action Agency, Inc.
Shreveport, Louisiana
Notes to Combined Financial Statements
(Continued)
January 31, 1998

J. Compensated Absence

Employees of CCAA accrue annual and sick leave on a biweekly basis. The amount of annual leave accrued is based on number of years service and sick leave is accrued at the rate of four hours per biweekly pay period. Upon an employee's separation of employment, unused annual accrued leave will be paid up to a maximum of 31 days. Accumulated sick leave is forfeited upon separation of employment.

(2) Change in Accounting Principles

CCAA elected to adopt Statement of Financial Accounting Standards (SFAS) No. 118, Accounting for Contributions Received and Contributions Made, during the year ended January 31, 1998. In accordance with SFAS No. 118, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the substance and/or nature of any donor restrictions. This election had no effect on the change in net assets for the year ended January 31, 1998.

During the year ended January 31, 1998, CCAA elected to adopt Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, CCAA 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. In addition, CCAA is required to present a Statement of Cash Flows. CCAA has accordingly reclassified its financial statements to present the three classes of net assets required. This reclassification had no effect on the change in net assets for the year ended January 31, 1998.

(3) Concentrations of Credit Risk

Financial instruments that potentially subject CCAA to concentrations of credit risk consist principally of temporary cash investments and grant revenue receivables.

Concentrations of credit risk with respect to grant revenue receivables are limited due to these amounts being due from governmental agencies under contractual terms. As of January 31, 1998, CCAA had no significant concentration of credit risk in relation to grant revenue receivables.

CCAA maintains cash balances at several financial institutions located in the Shreveport area. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. At January 31, 1998 total cash balances held at financial institutions was \$132,804. Of this amount, \$189,287 was covered by FDIC and the remaining \$132,807 was collateralized by pledged securities.

(4) Grant Receivables

Various funding sources provide reimbursement of allowable costs under contracts or agreements. These balances represent amounts due from funding sources at January 31, 1998, but received after that date.

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Notes to Combined Financial Statements
(Continued)
January 31, 1988

FO Due To and From Other Funds

The following schedule represents amounts due to and due from other funds at January 31, 1988:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Restricted	\$ 1,084	\$ 47,456
Restricted Funds:		
Head Start Program	35,784	-
Community Services Block Grant	9,910	26,302
Worship/Leadership Assistance Program	35,808	-
Home Care Assistance Program	17,508	6,080
Handicap Assistance Program	505	880
Family Day Care Home Program	-	3,794
	<u>\$ 107,615</u>	<u>\$ 37,956</u>

01 Property and Equipment

Property and equipment consist of the following:

	<u>Estimated Depreciable Life</u>	<u>Purchased With Federal Funds</u>	<u>Purchased With Non-Federal Funds</u>	<u>Total</u>
Buildings	30-50 years	\$ 500,000	\$ -	\$ 500,000
Leasehold improvements	20-30 years	43,340	-	43,340
Furniture, fixtures, equipment	5-10 years	284,668	3,174	287,842
Vehicles	5 years	514,578	-	514,578
Accumulated depreciation		(575,200)	(317)	(575,517)
Net investment in property and equipment		<u>\$ 702,786</u>	<u>\$ 2,857</u>	<u>\$ 705,643</u>

Depreciation expense for the year ended January 31, 1988 was \$134,664.

Cable Community Action Agency, Inc.
Shreveport, Louisiana
Notes to Combined Financial Statements
(Continued)
January 31, 1989

(15) Prior Period Correction

In prior years, CEAA was reported as a governmental entity and therefore, their fixed assets were included in a general long-term debt account group and no depreciation was recorded. A prior period correction was made to restate beginning net assets to include the fixed assets less the accumulated depreciation as of January 31, 1989.

(16) Contingency

The U.S. Department of Health and Human Services has requested repayment of \$38,064 which represents an over-expenditure of funds from a prior grant period. The liability for this amount has not been recorded due to the fact that CEAA has requested to transfer-deposit \$5,000 a year of non-federal funds into the Head Start bank account to resolve this obligation. A response to this request has not yet been received.

Cable Community Action Agency, Inc.
Shreveport, Louisiana
Notes to Consolidated Financial Statements
(Continued)
January 31, 1986

(13) **Commodities Distribution**

The expenses shown as commodities distribution represent certain costs to distribute commodities under the TDFAP Commodities Program. The value of the commodities distributed during February 1, 1986 to January 31, 1986 was approximately \$12,684. The value of the commodities distributed is not reflected in the accompanying financial statements.

(14) **Leases**

The agency leases a vehicle and several buildings under operating leases. The rental costs on these leases for the year ended January 31, 1986, was as follows:

	Amount
Vehicle	\$ 4,224
Buildings	85,178
	\$ 89,402

Commitments under lease agreements having initial or remaining non-cancelable terms in excess of one year are as follows:

Year Ending	Amount
-Jan. 31-	
1987	\$ 45,212
1988	10,508
1989	12,800
1990	12,800
1991	12,800
2002 and after	31,080
	\$ 128,192

(14) **Compensated Absences - Accrued Leave**

At January 31, 1986, the approximate amount of accumulated and vested employee leave benefits was \$84,808. It is CEAA's policy not to accrue any liability for compensated absences due to employees and to record those payments as expenses when paid. No liability for compensated absences has been included in the accompanying financial statements.

Caddo Community Action Agency, Inc.
Shreveport, Louisiana

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(Continued)

Eads Community Action Agency, Inc.
Shreveport, Louisiana
Management Response to Reportable Conditions and Findings
(Continued)
January 31, 1988

(2) Accounts Payable Accounts

Accounts Payable Accounts will be verified by the Accounting Supervisor and that appropriate adjustments are made timely.

(3) Budget Monitoring

The Finance Director will review each budget each month to assure that the agency does not overspend. This duty has been specifically assigned to the Fiscal Director.

(4) Head Start Center Licenses

The agency has established a system that each month when the monthly reimbursement supervisory report is done a checklist is attached showing that all centers licenses are renewed before expiration and that all needs stated are eligible for reimbursement from the State of Louisiana Department of Education.

(5) Interagency Loans

The funds will be repaid. The agency will no longer borrow funds from Weatherization and Home Energy Programs.

CURRENT YEAR FINDINGS

- (1) The agency has submitted a corrected report and no funds are remaining to be returned.
- (2) The agency will contact the State of Louisiana Department of Education about the balance to be returned to them.

COOK & MOHRHART

Certified Public Accountants

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Independent Auditors' Report

To the Board of Directors
Caddis Community Action Agency, Inc.
Slyesport, Indiana

We have audited the accompanying statement of financial position of Caddis Community Action Agency, Inc., a nonprofit corporation, as of January 31, 1986, and the statement of activities and cash flows for the year then ended. These financial statements are the responsibility of Caddis Community Action Agency, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards: Government Auditing Standards, issued by the Comptroller General of the United States; and SSA Circular 4-133, Audit of Institutions of Higher Education and Other Nonprofit Organizations. 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.

As more fully described in Note 14 to the financial statements, the Agency has excluded its obligation for accrued compensated absences from liabilities in the accompanying statement of financial position. In our opinion, generally accepted accounting principles require that such obligations be included in the statement of financial position. If this obligation were accounted for properly, liabilities would be increased by 184,808, and net assets decreased by 804,580 as of January 31, 1986, and the change in net assets would be decreased by 95,878, for the year then ended.

In our opinion, except for the effects of not including the obligation for accrued compensated absences in liabilities, as discussed in the preceding paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Caddis Community Action Agency, Inc., as of January 31, 1986, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Cable Community Action Agency, Inc.
 Directors' Salaries
 Filing Schedule of Personal Financial Information
 January 15, 1995

Asset	Real Estate		Cash		Securities		Bank		Mutual Funds		Life Insurance		Pensions		Other		Total			
	Value	Address	Value	Address	Value	Address	Value	Address	Value	Address	Value	Address	Value	Address	Value	Address	Value	Address	Value	
General assets:																				
Cash	11,079		4,061	6,000			111		1,099	1,000			1,000					20,869	19,079	
Securities	19,150		14,571	28,750			7,020		11,000	1,700								46,841	48,000	
Bank accounts	25,706		8,161	10,000			500											1,000	35,267	35,267
Real estate	1,200						6,000												7,200	7,200
Total general assets	57,235		26,793	44,750			14,631		12,100	2,700			1,000					65,079	109,546	
Retirement assets:																				
Property and equipment	1,201,000		11,000	1,000														1,212,000	1,212,000	
Deferred compensation	1,900,000		11,000	1,000														1,911,000	1,911,000	
Total retirement assets	3,101,000		22,000	2,000														3,123,000	3,123,000	
Total assets	3,158,235		48,793	46,750			14,631		12,100	2,700			1,000					68,209	1,342,546	
Liabilities and net worth:																				
Accounts payable	295,000		10,000	11,000			311		1,000	1,000								1,000	408,000	
Lines payable			20,000				70												20,000	
Accrued liabilities	175,711		14,171	1,200			1,000												190,981	
Due to other funds			25,000				625		800										26,425	
Subsidiary advances	11,000		8,100	48,000			11,000		10,000										78,100	
Total liabilities	581,711		75,271	108,200			1,037		2,425	1,000								1,037	284,506	
Net worth:																				
Unrestricted	10,000		10,000				1,000		1,000	1,000								1,000	24,000	
Operating	20,000		100	1,000															1,100	
Total net worth	30,000		10,100	2,000			1,000		1,000	1,000								2,100	25,100	
Total liabilities and net assets	1,150,211		85,373	110,200			1,037		2,425	2,000								3,137	1,367,646	

COOK & MONROE

Certified Public Accountants

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Report on Schedule of Federal Awards

To the Board of Directors
Caddo Community Action Agency, Inc.
Shreveport, Louisiana

We have audited the financial statements of Caddo Community Action Agency, Inc., as of and for the year ended January 31, 1986, and have issued our report thereon dated July 18, 1986. These financial statements are the responsibility of Caddo Community Action Agency, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our 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 Circular A-133, *Audit of Institutions of Higher Education and Other Recipient Organizations*. 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.

Our audit was made for the purpose of forming an opinion on the financial statements of Caddo Community Action Agency, Inc. taken as a whole. The accompanying Schedule of Federal Awards is presented for purposes of additional analysis and is not a required part of the financial statements. The information in that Schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.



Cook & Monroe
Certified Public Accountants
July 18, 1986

Carle Community Action Agency, Inc.
 Management, Location
 Schedule of Federal Awards
 For the Year Ended January 31, 1985

Federal CFR Number	Fiscal CFR Number	Period-Through Award's Number	Balance
	85-850	8500-01-0074	4,449,889
U.S. Department of Health and Human Services			
• Social Programs			
• Head Start			
Prized through Learning Department of Labor			
• Community Services Block Grant: FY 12-31-80			
• Community Services Block Grant: FY 12-31-80			
• Emergency Community Services Block Grant Program: FY 8-30-80			
Prized through Learning Department of Social Services:			
• Home Care Assistance Program: FY 8-30-80			
U.S. Federal Reserve, Management Matters			
Emergency Food and Shelter			
U.S. Department of Agriculture			
Prized through Learning Department of Education:			
• Child and Adult Care Food Program (CACFP): FY 8-30-80			
• Child and Adult Care Food Program (CACFP): FY 8-30-80			
• Child and Adult Care Food Program (Head Start)			
• Child and Adult Care Food Program (Summer Food Service)			

See Inland

Edible Community Service Agency, Inc.
 2500 Main Street
 Chicago, Illinois 60612
 For the Year Ended January 31, 1982
 (Continued)

Federal CFDA Number	Funds Through CFDA Number	Amount
U.S. Department of Agriculture - (Continued)		
Passed Through Louisiana Department of Agriculture and Forestry:		
Emergency Community Food Assistance Program	19,800	11,678
Food Distribution - Home of Communities Development	10,000	12,100
U.S. Department of Health:		
Passed Through Louisiana Department of Social Services:		
Rehabilitative Assistance for Developmental Program (R-2-31-004)	81,000	101,879
Rehabilitative Assistance for Developmental Program (R-3-31-006)	81,000	101,100

Total Federal Dependence

294,677

**Supplemental Schedules Prepared for
State and Contract Analysis**

Orlando Community Action Agency, Inc.

Shreveport, Louisiana

Fiscal Grant No. 05CR0376/24

U. S. Department of Health and Human Services

Schedule of Revenues, Expenses and Changes in Fund Balance
For the Contract Period: February 1, 1965 to January 31, 1966

	Budget	Actual	CRB Balance Current Year
Revenues:			
Department of Health & Human Services	\$ 4,489,000	\$ 4,489,000	
Grantor's contribution	1,132,423	1,132,423	
Total revenue	5,621,423	5,621,423	
Expenses:			
Personnel	2,567,000	2,666,196	(99,197)
Fringe benefits	508,480	478,881	89,601
Traavel	52,894	35,040	17,854
Equipment	233,173	183,053	150,120
Supplies	958,410	103,441	1 4,021
Contractual	178,326	182,754	(4,428)
Other	398,211	898,208	1 81,879
	4,898,084	4,898,086	-
Grantor's share of initial contribution	1,132,423	1,132,423	
Total all expenses	5,621,423	5,621,423	
Revenue over (under) expenses			-
Fund balance, beginning February 1, 1965			67,308
Grant revenues over expenses grant 05CR0376/23			(54,900)
Fund balance, ending January 31, 1966			1 12,408
Fund balance analysis:			
Revenue over expenses grant # 05CR0376/24-P#28	1	2,762	
Revenue over expenses grant # 05CR0376/25-P#28		2,888	
Revenue over expenses grant # 05CR0376/27-P#28		2,500	
Expenditures over revenues grant # 05CR0376/15	1	10,576	
Expenditures over revenues grant # 05CR0376/17	1	2,400	
Expenditures over revenues grant # 05CR0376/16	1	2,800	
Revenue over expenses grant # 05CR0376/23		87,408	
Contract revenues over expenses grant # 05CR0376/23	1	54,900	
Fund balance, January 31, 1966			1 12,408

Caddo Community Action Agency, Inc.
 Shreveport, Louisiana
 Child and Adult Care Food Program
 Louisiana Department of Education
 Schedule of Receipts, Expenses and Changes in Fund Balance
 For the Period: February 1, 1995 to January 31, 1996

Revenue:

Contract revenue	\$ 428,980
------------------	------------

Expenses:

Salaries	260,796
Fringe benefits	41,208
Equipment and repairs	48,862
Non food supplies	20,264
Food service costs	128,150
Total expenses	499,276

Excess revenue (expensed)	(48,000)
---------------------------	-----------

Fund balance, beginning February 1, 1995

-

Fund deficit, ending January 31, 1996

\$ (48,000)

Eagle Community Action Agency, Inc.
Birmingham, Louisiana
Community Services (Black Grant)
Department of Labor
Contract No. 05P0826

Schedule of Revenues, Expenses and Changes in Fund Balance
For the Contract Period: October 1, 1964 to December 31, 1965

	<u>Budget</u>	<u>Actual</u>	(Over) Under <u>Output</u>
Revenue:			
Contract revenue	\$ 608,198	\$ 574,326	
Total revenue	<u>608,198</u>	<u>574,326</u>	
Expenses:			
Administration:			
Salaries	189,294	205,682	3,388
Fringe benefits	25,000	25,000	-
Travel	3,808	2,606	488
Equipment purchases	3,808	-	3,808
Other support costs	51,528	27,801	23,727
Subtotal administration	<u>303,738</u>	<u>271,089</u>	<u>38,754</u>
Program activities:			
Salaries	227,548	227,542	7
Fringe benefits	41,342	40,548	313
Travel	1,808	1,808	-
Equipment purchases	1,808	-	1,808
Other support costs	28,284	28,818	1,868
Subtotal program activities	<u>301,088</u>	<u>298,707</u>	<u>2,888</u>
Community food and nutrition	5,288	5,190	100
Total expenses	<u>\$ 608,198</u>	<u>\$ 574,326</u>	<u>\$ 33,881</u>
Excess revenue (expended)		-	
Fund balance, beginning October 1, 1964		17,800	
Returned to funding source, May 28, 1965		(12,864)	
Returned to funding source, October 20, 1965		(681)	
Fund balance, ending December 31, 1965		<u>\$ 3,255</u>	

Comment #1: The audit report for the year ended January 31, 1998 was not submitted to the Legislative Auditor before July 31, 1998. The Agency is aware of the policy of the Legislative Auditor's Office concerning submission of audit reports as it relates to Louisiana Revised Statute 24:504.6(2).

Comment #2: During the course of our audit, it came to our attention that there were several old outstanding checks listed on various program's bank reconciliations.

We recommend that a policy be established to ensure that all checks that remain outstanding for more than ninety days are investigated and appropriate action taken on a timely basis.

Comment #4: The Agency began the process of implementing a fixed asset system during the year ended January 31, 1998. However, a complete agency wide inventory has not been completed and the listing the Agency has is not being currently updated.

We encourage the Agency to perform a complete agency wide inventory and implement procedures to ensure that this inventory is updated timely in order to have a complete agency wide fixed asset inventory system that is adequately monitored and controlled.

Comment #5: During our audit, we tested several travel expenditures. There was not a consistent method used for issuing travel advances and travel reimbursement.

We suggest that the Agency formulate a written travel policy to be utilized in the disbursement of travel advances and the reconciliation of return travel. The policy should include at a minimum an appropriate method to account for the following items: 1) amounts to be reimbursed for tips, the documentation required and whether tips are included in the meal per diem, 2) whether meals provided by a conference will reduce the meal per diem, 3) time frames for reconciling return travel and the procedures to obtain any money due back from the traveler, and 4) procedures for obtaining prior funding source approval, when required.

Comment #6: During our audit, we tested whether the matching requirements for the Headstart program had been met. The agency currently relies upon space cost and volunteer - professional services to meet these matching requirements. The Agency did meet the requirements, but we determined that there was not a proper monitoring during the year to ensure that an adequate amount of funds had been obtained by the end of the grant period.

We suggest an independent check for completeness be made by agency personnel periodically during the grant year to ensure that the agency will have adequate documentation for the matching requirement by the end of the grant period.

Comment #7: We tested the Summer Food Program reimbursement reports, and discovered that the Site Supervisors count the number of children served each day, document these totals onto a Daily Participation Report, and call them in to the Summer Food Coordinator at the CEAA office who writes them down on a piece of paper. At the end of the month the Summer Food Coordinator prepares the Claim for Reimbursement report based on the telephone totals. The Site Supervisors send their signed Daily Participation Reports to the Summer Food Coordinator at the end of the month, however, there is no reconciliation between these reports and the telephone totals. We discovered differences between these totals that appear to have resulted in an underclaim of meals served. The dollar amount of the underclaim was insubstantial.

We recommend that the Site Supervisors send in the Daily Participation Reports to the Summer Food Coordinator each week, and that the Summer Food Coordinator reconcile these reports to the daily totals that was called in and any discrepancies be resolved timely.

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1998-1999
STATE OF MISSISSIPPI
OFFICE OF THE ATTORNEY GENERAL

Orde Community Action Agency, Inc.
Shreveport, Louisiana

Financial Statements

For the Year Ended January 31, 1999
With Supplemental Information Schedules

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 NOV 20 1998

Cadee Community Action Agency, Inc.
 Newport, Louisiana
 Notes to Combined Financial Statements
 (Continued)
 January 31, 1990

(I) Loan Payable

The Agency received a 100,000 loan from the Eads Parish Commission for use by the Agency for various programs. This is a non-interest bearing loan to be repaid as CCAA has funds available.

(II) Accrued Liabilities

Accrued liabilities at January 31, 1990 consist of the following:

Accrued payroll	\$	128,440
Accrued workers compensation		5,000
Payroll taxes payable		<u>25,808</u>
		<u>\$ 159,248</u>

(III) Refundable Advances

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

(IV) Contractual Revenue - Grants

During the year ended January 31, 1990, CCAA received contractual revenue from federal and state grants in the amount of 18,044,971. The continued existence of these funds is based on annual contract renewals with various funding sources.

(V) Unrestricted, Operating Net Asset Deficits

The deficits for individual programs within the unrestricted, operating net assets totaling 4,112,040, are the result of overspending funds in certain grant years. These deficits will be eliminated by transfers from contractual unobligated funds as they become available.

The programs are as follows:

Head Start Program	\$	20,000
Child Care Food Program	(40,000
Community Services	(571
Family Day Care Services	(4,5804
Homeless Assistance	(2941
Summer Food Service	(8,7933
Other General Services		<u>1,28,4587</u>
		<u>\$ 1,124,848</u>

COOK & MERRIBART

Certified Public Accountants

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ROBERTSON, JOHN WILLARD

MEMBER

INDEPENDENT MEMBER

INTERNAL AUDIT SUPERVISOR

MEMBER OF IIA

CERTIFIED PUBLIC ACCOUNTANT

BARBARA S. COOK, CPA
Treasurer & Administrator, CMAA

BARBARA S. COOK, CPA
Treasurer & Administrator, CMAA
A. GUYTON BULL, CPA

Report on the Internal Control Structure Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

To the Board of Directors
Caddo Community Action Agency, Inc.
Mossport, Louisiana

We have audited the financial statements of Caddo Community Action Agency, Inc., as of and for the year ended January 31, 1985, and have issued our report thereon dated July 10, 1985.

We conducted our audit in accordance with generally accepted auditing standards and 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.

The management of Caddo Community Action Agency, Inc. is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, assurance and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives 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, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of the financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities 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 the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of Caddo Community Action Agency, Inc., for the year ended January 31, 1985, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

COOK & MORRISART

Credited Public Accountants

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Single Audit Report on Compliance With the General Requirements Applicable to Federal Awards Programs

To the Board of Directors
Caddo Community Action Agency, Inc.
Bossierport, Louisiana

We have audited the financial statements of Caddo Community Action Agency, Inc., as of and for the year ended January 31, 1985, and have issued our report thereon dated July 18, 1985.

We have applied procedures to test Caddo Community Action Agency, Inc.'s compliance with the following requirements applicable to each of its federal award programs, which are identified in the Schedule of Federal Awards, for the year ended January 31, 1985:

- Political activity
- Civil Rights
- Cash management
- Federal financial reports
- Allowable cost/audit principles
- Drug free workplace
- Administrative requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Audits of Institutions of Higher Learning and Other Nonprofit Institutions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Caddo Community Action Agency, Inc.'s compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

In our opinion, CABLE Community Action Agency, Inc., complied, in all material respects, with the specific requirements referred to in the second paragraph that are applicable to each of its major federal programs for the year ended January 31, 1986.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Agency. However, this report is a matter of public record and its distribution is not limited.



Erik S. Mordhart
Certified Public Accountant
July 18, 1986

COOK & MOHRHART

Certified Public Accountants

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CLAYTON COUNTY, ALABAMA OFFICE

Single Audit Opinion on Compliance With Specific Requirements Applicable to Major Federal Awards Programs

To the Board of Directors
Cable Community Action Agency, Inc.
Shreveport, Louisiana

We have audited the financial statements of Cable Community Action Agency, Inc., as of and for the year ended January 31, 1986, and have issued our report thereon dated July 18, 1986.

We have also audited Cable Community Action Agency, Inc.'s compliance with the requirements governing types of services allowed or disallowed, duplicating, marking, level of effort, or earmarking, reporting, claims for advances and reimbursements, amounts claimed or used for matching and special tests that are applicable to each of its major federal awards programs, which are identified in the accompanying Schedule of Federal Awards, for the year ended January 31, 1986. The management of Cable Community Action Agency, Inc., is responsible for Cable Community Action Agency, Inc.'s compliance with these requirements. Our responsibility is to express an opinion on compliance with these requirements based on our audit.

We conducted our audit of compliance with these requirements 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, Audit of Institutions of Higher Education and Other Recipient Organizations*. These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the specific requirements referred to in the second paragraph occurred. An audit includes examining, on a test basis, evidence about Cable Community Action Agency, Inc.'s compliance with these requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying Schedule of Findings and Questioned Costs and in a separate management letter dated July 18, 1986. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

(4) Nutrition Center Licenses

During our audit period, funding was provided by the State of Louisiana Department of Education under the Child and Adult Care Food Program to serve meals to children enrolled in the Headstart Program. It came to our attention that meals were served that were not reimbursed by the State of Louisiana Department of Education due to certain centers not having the correct license that this funding source requires before the meals served at a center are eligible for reimbursement.

We recommend that a monitoring system be established to assure that the required license is obtained timely for all centers and renewed before expiration to assure that all meals served are eligible for reimbursement from the State of Louisiana Department of Education.

(5) Intergency Loans

During our audit period, we noted that funds received from the Weatherization and Home Energy programs were loaned to the Community Services Block Grant Program.

We recommend that procedures be implemented to assure that operating funds are available for each program without having to borrow funds received from grants for other specific programs, and we also recommend that all grant funds previously borrowed be repaid immediately and no new borrowings between grant funds be made.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal award program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure policies and procedures used in administering federal awards 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 also considered to be material weaknesses as defined above. However, we believe that some of the reportable conditions described above are material weaknesses.

We also noted other matters involving the internal control structure and its operation that we have reported to the management of Eastle Community Action Agency, Inc. in a separate management letter dated July 18, 1988.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Agency. However, this report is a matter of public record and its distribution is not limited.

Cook & Monahan

Certified Public Accountants

July 18, 1988

any internal control structure, errors, irregularities, or instances of noncompliance 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 the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal award programs in the following categories:

Accounting controls

Grid

Revenue, receivables and receipts
Donated goods, services and space
Expenses for goods and services and accounts payable
Payroll and related liabilities
Property, equipment and capital expenditures
Debt and other liabilities
Governmental financial assistance programs

General requirements

Political activity
Civil Rights
Cash management
Federal financial reports
Affordable housing principles
Drug-Free Workplace Act
Administrative requirements

Specific requirements

Types of services
Eligibility
Matching level of effort
Reporting
Cost allocation
Special requirements if any

Claims for advances and reimbursements

Amounts claimed or used for matching

For all of the internal control structure categories listed in the preceding paragraph, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended January 31, 1996, Eagle Community Action Agency, Inc. expended 80% of its total federal awards under major federal award programs.

Reports in Accordance With GMS Circular A-110

COOK & MORGENTHAU

Certified Public Accountants

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A. EDWARD HALL, CPA

Compliance Report Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

To the Board of Directors
Caddo Community Action Agency, Inc.
Shreveport, Louisiana

We have audited the financial statements of Caddo Community Action Agency, Inc., as of and for the year ended January 31, 1986, and have issued our report thereon dated July 18, 1986.

We conducted our 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 we 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 Caddo Community Action Agency, Inc. is the responsibility of Caddo Community Action Agency, Inc.'s management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of Caddo Community Action Agency, Inc.'s compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. 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.

The results of our tests disclosed immaterial instances of noncompliance with the above requirements, which we have communicated to the management of CEAA in the accompanying Schedule of Findings and Questioned Costs and a separate management letter dated July 18, 1986.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Agency. However, this report is a matter of public record and its distribution is not limited.

Cook & Morgenthau
Certified Public Accountants
July 18, 1986

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that Eads Community Action Agency, Inc. had not complied, in all material respects, with these requirements. However, the results of our procedures disclosed immaterial instances of noncompliance with these requirements, which are described in the accompanying Schedule of Findings and Questioned Costs and in a separate management letter dated July 18, 1996.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Agency. However, this report is a matter of public record and its distribution is not limited.



Cook & Monahan
Certified Public Accountants
July 18, 1996

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

The reportable conditions noted are as follows:

(E) Bank Reconciliations

In the prior year audit, we stated that bank reconciliations were not being done timely. This audit period, the bank reconciliations were done timely, however, the reconciled balance was not reconciled to the general ledger balance.

We suggest that as the bank reconciliations are done each month, that the reconciled balance be tied to the general ledger accounts and any necessary adjustments that are needed be recorded at that time. We also recommend that the Finance Director physically approve the bank reconciliations each month, indicating that the balances have been reconciled.

(F) Accounts Payable Accruals

During the course of our audit, we discovered several amounts set up as accruals at the closing month of a grant. Many of these amounts could not be identified with a subsequent payment, but the amounts were not removed from the general ledger. Also, some of these amounts were subsequently paid for a different amount than the accruals were set up for, but were not adjusted on the general ledger. All of these accruals were corrected with adjusting entries.

We suggest that accruals be followed closely to determine that the proper amounts are set up, and that they are paid for the same amount that they are set up for, or that the appropriate adjustments are made.

(G) Budget Monitoring

During the audit period, there were certain programs that had expenses in excess of revenues which created cumulative deficits in several of these programs.

We recommend that proper budgetary monitoring procedures be put in place to ensure that funds are not expended in excess of the revenues received.

(H) Foodstart Center Donations

During our audit period, funding was provided by the State of Louisiana Department of Education under the Child and Adult Care Food Program to serve meals to children enrolled in the Foodstart Program. It came to our attention that meals were served that were not reimbursed by the State of Louisiana Department of Education due to certain centers not having the correct license that this funding source requires before the meals served at a center are eligible for reimbursement.

We performed tests 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 we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of Eagle Community Action Agency, Inc.'s major federal award programs, which are identified in the accompanying Schedule of Federal Awards. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the Eagle Community Action Agency Inc.'s ability to administer federal award programs in accordance with applicable laws and regulations.

The reportable conditions noted are as follows:

(1) Bank Reconciliations

In the prior year audit, we stated that bank reconciliations were not being done timely. This audit period, the bank reconciliations were done timely, however, the reconciled balance was not reconciled to the general ledger balance.

We suggest that as the bank reconciliations are done each month, that the reconciled balance be tied to the general ledger accounts and any necessary adjustments that are needed be recorded at that time. We also recommend that the Finance Director physically approve the bank reconciliations each month, indicating that the balances have been reconciled.

(2) Accounts Payable Accruals

During the course of our audit, we discovered several amounts set up as accruals at the closing month of a year. Many of these amounts could not be identified with a subsequent payment, but the amounts were not removed from the general ledger. Also, some of these amounts were subsequently paid for a different amount than the accruals were set up for, but were not adjusted on the general ledger. All of these accruals were corrected with adjusting entries.

We suggest that accruals be followed closely to determine that the proper amounts are set up, and that they are paid for the same amount that they are set up for, or that the appropriate adjustments are made.

(3) Budget Monitoring

During the audit period, there were certain programs that had expenses in excess of revenues which created cumulative deficits in several of these programs.

We recommend that proper budgetary monitoring procedures be put in place to ensure that funds are not expended in excess of the revenues received.

Reports in Accordance With Government Auditing Standards

Cade Community Action Agency, Inc.
 Shreveport, Louisiana
 General Fund
 Schedule of Revenues, Expenses and Changes in Fund Balance
 For the Period: February 1, 1995 to January 31, 1996

Revenue:

Cade Parish Contribution	\$ 30,800
Medical application fees	6,800
Miscellaneous	11,297
Total revenues	<u>48,900</u>

Expense:

Salaries	18,540
Fringe benefits	8,516
Taxed	6,207
Utilities	2,448
Consultants	1,508
Equipment rental and repair	4,824
Program supplies	5,240
Registration fees	1,190
Vehicle gas and oil	815
Miscellaneous	18,895
Total expenses	<u>83,578</u>

Funds revenue (expensed)	(30,540)
Fund balance, beginning February 1, 1995	(21,328)
Fund balance, ending January 31, 1996	<u>11,202</u>

Lake Community Action Agency, Inc.
 Shreveport, Louisiana
 Commodities Distribution
 Louisiana Department of Agriculture and Forestry
 Schedule of Revenue, Expenses and Changes in Fund Balance
 For the Period: February 1, 1985 to January 31, 1986

Revenue:

Contract revenue	\$ 2,808
------------------	----------

Expenses:

Salaries	8,004
Fringe benefits	3,170
Other expenses	541

Total expenses	11,675
----------------	--------

Excess revenue (expenses)	\$ (8,867)
---------------------------	------------

Fund balance, beginning February 1, 1985	17,260
--	--------

Fund balance, ending January 31, 1986	8,393
---------------------------------------	-------

Caddo Community Action Agency, Inc.
 Monroeville, Louisiana
 Emergency Food and Shelter Program
 Schedule of Revenues, Expenses and Changes in Fund Balances
 For the Contract Period: January 1, 1995 to December 31, 1995

Revenues:

Contract revenue	\$ 24,285
------------------	-----------

Expenses:

Direct assistance	23,808
-------------------	--------

Total expenses	23,808
----------------	--------

Excess revenue (expenses)	1,807
---------------------------	-------

Fund balance, beginning January 1, 1995	621
---	-----

Returned funds to funding source, February 8, 1995	(621)
--	--------

Fund balance, ending December 31, 1995	\$ 3,225
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Galois Community Action Agency, Inc.
 Shreveport, Louisiana
 Summer Food Service Program
 Louisiana Department of Education
 Schedule of Revenues, Expenses and Changes in Fund Balance
 For the Contract Period: June 5, 1995 to July 28, 1995

Revenues:

Reimbursements - Department of Education	\$ <u>52,885</u>
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Expenses:

Salaries	24,850
Fringe benefits	4,118
Vehicle gas and oil	2,417
Food purchases	58,818
Other	1,215

Total expenses	\$ <u>149,818</u>
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Excess revenue (expense)	\$ <u>97,000</u>
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Fund balance, beginning June 5, 1995	3,623
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Fund deficit, ending July 28, 1995	\$ <u>48,195</u>
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Lake Community Action Agency, Inc.
 Shreveport, Louisiana
 Shreveport Water Assistance Program
 City of Shreveport
 Schedule of Revenues, Expenses and Changes in Fund Balance
 For the Contract Period: January 1, 1995 to December 31, 1995

Revenues:

Contract revenue	\$	12,308
Interest		34
		<hr/>
Total revenue		<u>12,342</u>

Expenses:

Salaries		4,051
Fringe benefits		1,127
Other expenses		1,120
		<hr/>
Total expenses		<u>6,298</u>

Excess revenue (expenses)		6,044
Fund balance, beginning January 1, 1995		754
Fund balance, ending December 31, 1995:		<u><u>1,621</u></u>

Gaddis Community Action Agency, Inc.
 Shreveport, Louisiana
 Family Day Care Home Program
 Louisiana Department of Education
 Schedule of Revenue, Expenses and Changes in Fund Balance
 For the Contract Period: October 1, 1984 to September 30, 1985

Revenue:	
Contract revenue	\$ 521,176
Total revenue	<u>521,176</u>
Expenses:	
Salaries	68,722
Fringe benefits	13,614
Travel	1,470
Supplies	3,089
Other costs	12,940
Provider payments	626,341
Total expenses	<u>726,876</u>
Excess revenue (expenses)	(205,700)
Fund balance, beginning October 1, 1984	18,000
Correct prior fund balance for funds returned May 13, 1984	(2,250)
Fund balance, ending September 30, 1985	<u>\$ 11,250</u>

Lake Community Action Agency, Inc.
 Shreveport, Louisiana
 Low-Income Home Energy Assistance Program
 Louisiana Department of Social Services
 Office of Community Services
 BOM No: 3709120

Schedule of Revenues, Expenses and Changes in Fund Balance
 For the Contract Period: October 1, 1994 to September 30, 1995

	Budget	Actual	Over/ Under Budget
Revenue:			
Contract revenue	\$ 554,284	\$ 554,209	
Expenses:			
Administrative costs	38,896	38,772	1,124
Assistance payments	515,528	515,814	(286)
Total expenses	\$ 554,424	\$ 556,586	\$ 2,162
Excess revenue (expenses)		1,818	
Fund balance, beginning October 1, 1994		12,838	
Fund balance, ending September 30, 1995		\$ 14,656	

We recommend that a monitoring system be established to ensure that the required license is obtained timely for all centers and renewed before expiration to ensure that all meals served are eligible for reimbursement from the State of Louisiana Department of Education.

(5) Interagency Loans

During our audit period, we noted that funds received from the Weatherization and Home Energy programs were loaned to the Community Services Block Grant Program.

We recommend that procedures be implemented to ensure that operating funds are available for each program without having to borrow funds received from grantors for other specific programs, and we also recommend that all grant funds positively borrowed be repaid immediately and no new borrowings between grant funds be made.

A material weakness is a reportable condition in which the design or operation of one or more 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 may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our 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 also considered to be material weaknesses as defined above. However, we believe the reportable conditions described above are not material weaknesses.

We also noted other matters involving the internal control structure and its operation that we have reported to the management of Cable Community Action Agency, Inc. in a separate management letter dated July 18, 1986.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Agency. However, this report is a matter of public record and its distribution is not limited.

Cook E. Murchart
Certified Public Accountant
July 18, 1986

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Schedule of Findings and Questioned Costs
January 31, 1986

PRIOE FIAR FINDINGS:

January 31, 1984

There was one finding for the audit year ended January 31, 1984 that has not been resolved. The finding stated that the Family Day Care Home Program had \$13,389 remaining for the contract ended September 30, 1983. These funds have not yet been returned.

January 31, 1985

The status of the findings listed for the audit year ended January 31, 1985 are described below:

Finding #1

- (1) The Community Services Block Grant had \$3,090 remaining for the contract ended September 30, 1984. On October 20, 1985, \$301 was returned, leaving a balance of \$2,789 to be returned.
- (2) The Weatherization Assistance Program had \$15,889 remaining for the contract period ended March 31, 1984. On June 21, 1986, these funds were returned.
- (3) The Family Day Care Home Program had \$3,352 remaining for the contract period ended September 30, 1984. These funds have not yet been returned.

Finding #2

There were nine items purchased for the various programs that did not have price or rate quotations. The finding sources for these programs have requested that the Agency implement procedures to ensure that all purchases have price or rate quotations in accordance with federal guidelines.

(Continued)
 Cade Community Action Agency, Inc.
 Shreveport, Louisiana
 Schedule of Findings and Questioned Costs
 (Continued)
 January 31, 1998

CURRENT YEAR FINDINGS

There was one finding in this audit for the year ended January 31, 1998, as described below:

The following final financial reports—statements have changed due to audit adjustments that were made during this audit for the year ended January 31, 1998:

Program	CECAF	Contract Comm. Ending	Funding Source	Original	Adjusted	
				Disbursed	Disbursed	
(F) Community Services Block Grant	88,889	12-31-95	Louisiana Dept. of Labor			
Administration				\$ 232,267	\$ 271,088	
Program Activities				<u>383,018</u>	<u>383,288</u>	
Funds to be returned				<u>515,285</u>	<u>524,376</u>	\$ _____
(G) Family Support Home Program	18,958	8-30-95	Louisiana Dept. of Education			
Administration				\$ 84,861	\$ 84,861	
Provider Payments				<u>436,716</u>	<u>475,241</u>	
Funds to be returned per adjusted charges				<u>521,577</u>	<u>560,102</u>	\$ _____

Recommendations

Revised final reports need to be filed in order to be in agreement with the actual adjusted amounts. Also, the funding sources need to be contacted to receive any remaining funds to be returned or received.

Cade Community Action Agency, Inc.
Monroeport, Louisiana
Management Response to Reportable Conditions and Findings
January 31, 1988

FIVE YEAR FINDINGS

January 31, 1984

The agency has written for a payment plan from the State of Louisiana Department of Education.

January 31, 1986

Finding #1

(1) An agreement has been reached to return these funds to Department of Labor Community Services Block Grant.

(2) These funds were returned.

(3) A request for a payment plan has been submitted to the State of Louisiana Department of Education.

Finding #2

Procedures have been implemented whereby the Procurement Department will be responsible for ensuring that all purchases have price or rate quotations in accordance with federal guidelines.

REPORTABLE CONDITIONS

(1) Bank Reconciliations

Duties of reconciling bank statements have been assigned to the Accounting Supervisor. The Accounting Supervisor will be responsible for making sure the reconciled balance ties to the General Ledger monthly and any necessary adjustments needed will be recorded at that time. The Finance Director will physically approve the bank reconciliations each month.

COOK & MURRELL

Certified Public Accountants

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Single Audit Report on the Internal Control Structure Used in Administering Federal Awards

To the Board of Directors
Cable Community Action Agency, Inc.
Monroe, Louisiana

We have audited the financial statements of Cable Community Action Agency, Inc., as of and for the year ended January 31, 1986, and have issued our report thereon dated July 18, 1986. We have also audited the compliance of Cable Community Action Agency, Inc. with requirements applicable to major federal award programs and have issued our report thereon dated July 18, 1986.

We conducted our audits in accordance with generally accepted auditing standards; *System Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular 8-133, *Audit of Institutions of Higher Education and Other Nonprofit Organizations*. These standards and OMB Circular 8-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether Cable Community Action Agency, Inc. complied with laws and regulations, noncompliance with which would be material to a major federal award program.

In planning and performing our audits for the year ended January 31, 1986, we considered the internal control structure of Cable Community Action Agency, Inc. in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements of Cable Community Action Agency, Inc. and on its compliance with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular 8-133. This report addresses our consideration of internal control structures, policies and procedures relevant to compliance with requirements applicable to federal award programs. We have addressed internal control structure policies and procedures relevant to our audit of the financial statements in a separate report dated July 18, 1986.

The management of Cable Community Action Agency, 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 objectives 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 recorded in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal award programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in

OTHE & MORRIS

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Management Letter

July 18, 1968

The Board of Directors of the
Cable Community Action Agency, Inc.
Shreveport, Louisiana

Attention: Laurence Guidry, Executive Director

We have audited the financial statements of Cable Community Action Agency, Inc., for the year ended January 31, 1968, and have issued our report thereon dated July 18, 1968. As part of our audit we made a study and evaluation of the system of internal control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards, the standards for financial and compliance audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Circular A-133, Audits of Institutions of Higher Education and Other Nonprofit Organizations. No material weaknesses in internal control were noted during this study and evaluation, however the following items were noted which appear to merit your attention and should be considered to enhance the internal operations of Cable Community Action Agency, Inc.

Comment #1: As detailed in footnote (18) of the audit report, CCAA had deficits in certain programs totaling \$ (24,040) at January 31, 1968.

CEAA has asked the U.S. Department of Health and Human Services to allow a \$5,000 a year transfer deposit of non-federal funds into the Head Start program to eliminate the \$ (24,040) deficit. No final word has been received on the request.

The \$ (48,070) deficit in the Child Care Feed Program reflects a deficit at January 31, 1968, for the grant ending September 30, 1968. CCAA has rebudgeted its program in order to eliminate this deficit by September 30, 1968.

We recommend that CCAA develop a written plan to eliminate the remaining deficits of \$ (20,515). We recommend that CCAA take immediate steps to identify non-federal - unrestricted resources to eliminate the deficits.

COOK & MONTEHANT

Certified Public Accountants

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Single Audit Report on Compliance With Specific Requirements
Applicable to Nonmajor Federal Award Program Transactions

To the Board of Directors
Caddo Community Action Agency, Inc.
Shreveport, Louisiana

We have audited the financial statements of Caddo Community Action Agency, Inc., as of and for the year ended January 31, 1996, and have issued our report thereon dated July 18, 1996.

In connection with our audit of the financial statements of Caddo Community Action Agency, Inc., and with our consideration of Caddo Community Action Agency, Inc.'s internal structure used to administer federal award programs, as required by Office of Management and Budget (OMB) Circular A-133, Quality of Institutions of Higher Education and Other Nonprofit Organizations, we selected certain transactions applicable to certain nonmajor federal award programs for the year ended January 31, 1996.

As required by OMB Circular A-133, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Caddo Community Action Agency, Inc.'s compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that Caddo Community Action Agency, Inc. had not complied, in all material respects, with these requirements. However, the results of our procedures disclosed immaterial instances of noncompliance with these requirements, which are described in a separate management letter dated July 18, 1996.

This report is intended for the information of management, the Board of Directors and the various funding sources of the agency. However, this report is a matter of public record and its distribution is not limited.


Cook & Monteant
Certified Public Accountants
July 18, 1996