

Board of Directors  
Recycling Program Action Committee, Inc.  
Page 3  
April 18, 1987

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 organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

#### During the

#### Condition

The Agency is not making proper use of the payroll deposit account and reconciling the account to general ledger.

The Agency utilizes a centralized payroll system, whereby all payroll checks are issued from one bank account and then each fund reimburses the payroll bank account. The following were noted about the payroll account during the course of the audit:

\*The payroll account was not included as an account in any of the programs, nor was it presented as a separate program account.

\*The payroll account did not function as a true imprest account, where the amount remains in a fixed amount in the bank account at all times.

\*No reconciliations are performed to tie the payroll from all programs back to the quarterly payroll reports.

#### Origins and effect

The proper functioning of all the conditions listed above are an integral part of a strong internal control system.

In order for the internal control system to function properly, an imprest account must be created as such and all amounts must be included in the general ledger system of an entity. Also, to ensure all payroll is properly reported and all payroll taxes reported, a reconciliation must be performed tying total payroll from the general ledger to the quarterly reports.

**Major & Durso**  
Certified Public Accountants

YVES MAJOR, CPA, PC  
JEROME C. DURSO, CPA, PC  
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P.O. BOX 10000, MARKVILLE, LA 71351

MEMBER  
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SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

April 28, 1987

To Board of Directors  
Acropolis Program Action Committee, Inc  
Markville, Louisiana

In planning and performing our audit of the general purpose financial statements of the Acropolis Program Action Committee, Inc for the year ended September 30, 1986, we considered the APAC's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. The recommendations that comprise this letter summarize our comments and suggestions regarding those matters. A separate report April 28, 1987, contains our report on reportable conditions in APAC's internal control structure. This letter does not affect our report dated April 28, 1987, on the financial statements of the Acropolis Program Action Committee, Inc.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various APAC personnel, and we will be pleased to discuss them in further detail at your convenience and to assist you in implementing these recommendations.

Thank you for your cooperation and assistance extended to us during the annual examination.

*Major & Durso*  
JAMES DURSO  
Markville, Louisiana

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AVONELLES PROGRESS ACTION COMMITTEE, INC.  
Notes to the Financial Statements (continued)  
SEPTEMBER 30, 1998

**NOTE D - COMMITMENTS**

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

**NOTE E - BOARD MEMBERS PER DIEM**

Board Members of the Recycling Programs Action Committee have not received per diem or any other type of compensation during their audit period.

#### IMMEDIATE FEDERAL PROGRAMS

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

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

##### Department of Energy:

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

##### Department of Agriculture:

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

The Emergency Food Assistance Program - Adult Costs and Food Commodity Programs provide reimbursement for the direct costs of distribution of food commodities and the actual commodities themselves to needy families.

##### Department of Transportation:

AFAC previously received funding through the State's Title 10 Medicaid Transportation program. The funding was discontinued in 1980; the remaining funds are being utilized to fund other agency eligible expenses.

**ADVOCELLES PROGRESS ACTION COMMITTEE, INC.**  
**Notes to the Financial Statements (continued)**  
**SEPTEMBER 30, 1994**

**NOTE 6 - SUMMARY OF GRANTS**

APAC was primarily funded through the following grants for the year ended September 30, 1994:

Funding Source	Program Year(s) Covered	Recognized Subtotal
Direct Federal Programs:		
Seed Grant	7/1/93-4/30/94 7/1/93-4/30/97	\$1,115,070
JTPA Title II Program	10/1/93-9/30/94	870
Indirect Federal Programs:		
Community Services Block Grant	1/1/93-12/31/93 1/1/93-12/31/94	104,000
Emergency Community Service for the Homeless	1/1/93-12/31/93 1/1/94-12/31/94	18,007
Dept. of Energy Weatherization	4/1/93-1/31/94 4/1/94-1/31/97	48,850
Child and Adult Food Care Program	10/1/93-9/30/94	94,400
Emergency Food Assistance Program	10/1/93-9/30/94	2,280
Total Grants		<u>\$1,378,427</u>

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

**NOTE 7 - PREPAID EXPENSES**

As of September 30, 1994, prepaid expenses were composed of:

prepaid insurance	<u>\$ 4,000</u>
Total	<u>\$ 4,000</u>

**NOTE 8 - EMPLOYEE BENEFIT PLAN**

APAC established a Defined contribution salary deferral plan, covering employees of the Seed Grant Division of the agency. The plan has been adopted in accordance with Section 401(a) of the Internal Revenue Code. Under the plan, the APAC contributes a discretionary matching contribution equal to a percentage of the amount of the salary reduction elected by the employee, up to 5% of compensation. The employee may elect a salary reduction up to the maximum annual allowable amount established by applicable Internal Revenue Code Sections. During the year ended September 30, 1994, APAC contributed \$27,044, on the agency's behalf, to the plan.

**HOTELLES PROGRESS ACTIONS COMMITTEE, INC.**  
 Combining Statement of Financial Position  
 Inland Federal Programs  
 September 30, 1988

ASSETS	1988 Balance	State of Energy Reconstruction Program	LEAF/Target Appropriation Program	Daily Use Food Program	Temporary Emergency Food Program	Transportation Program	TOTAL Assets
Current Assets							
Cash and cash equivalents	641	0	660	4,660	476	90,643	98,480
Accounts receivable	0	0	0	6,358	0	0	6,358
Due from other programs	0	0	0	0	0	0	0
Prepaid expenses	0	0	0	0	0	0	0
Property, Plant & Equipment Property and equipment	0	0	0	0	0	0	0
Other assets	0	0	0	0	0	0	0
Debits	0	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	<b>641</b>	<b>0</b>	<b>660</b>	<b>11,018</b>	<b>476</b>	<b>90,643</b>	<b>103,438</b>

LIABILITIES AND NET ASSETS	1988 Balance	1987 Balance	1988 Balance	1987 Balance	1988 Balance	1987 Balance	1988 Balance
Current Liabilities							
Accounts payable	0	0	0	0	0	0	0
Accrued expenses	660	0	0	0	0	0	660
Due to other programs	0	0	0	0	0	0	0
Retainable	660	0	0	0	0	0	660
Net Assets	0	0	0	0	0	0	0
Referred to property	0	0	0	0	0	0	0
Unexpended	0	0	0	0	0	0	0
Training funds	0	0	0	0	0	0	0
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>660</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>660</b>

ANNAPOLIS HOUSING ACTION COMMITTEE, INC.

Condensed Statement of Activities

Included Federal Programs

For the Year Ended September 30, 1998

UNRESTRICTED NET ASSETS

Support	CDBG Program		Eed of Energy Investigation Program		Low-Income Energy Assistance Program		Covers Rent Trend Program		Temporary Emergency Food Program		Totals	
Grants received	\$	14,000	\$	14,000	\$	0	\$	0	\$	0	\$	14,000
Local contributions		0		0		0		0		0		0
Other support		0		0		0		0		0		0
<b>Total Support</b>		<b>14,000</b>		<b>14,000</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>14,000</b>
<b>Expenses</b>												
<b>Program Services</b>												
Salaries	10,000	1,444	20,000	0	11,000	0,000	0	0	11,000	0	0	52,444
fringe benefits	11,075	500	0,000	0	0,000	0	0	0	0	0	0	11,575
Construction	1,200	0	0	0	0	0	0	0	0	0	0	1,200
Tenants	700	0	0	0	1,000	0	0	0	0	0	0	2,000
Real estate	0,770	0	0	0	0	0	0	0	0	0	0	1,770
Construction supplies	400	0	0	0	0	0	0	0	0	0	0	400
Maintenance costs	2,750	0	11,000	0	0	0	0	0	0	0	0	13,750
Other expenses	3,300	1,000	1,000	0	0	0	0	0	0	0	0	5,300
NAIVE contributions	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Program Services</b>		<b>30,500</b>		<b>40,000</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>70,500</b>
increase (decrease) unrestricted net assets		<b>3,500</b>		<b>(26,000)</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>(22,500)</b>
<b>Net assets, beginning of year</b>		<b>5,500</b>		<b>(1,000)</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>4,500</b>
<b>Net assets, end of year</b>		<b>2,000</b>		<b>(27,000)</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>(25,000)</b>

APPROXIMATE PROGRAM ACTIVES CONTRIBUTIONS, INC  
 Combining Statements of Cash Flows  
 (Unaudited) Federal Program  
 For the Year Ended September 30, 1994

CASH EQUITIES	CASH RESOURCES	Pay of Energy Benefits Program	LIBRARY Energy Accounts Program	FIRM Cost Pool Program	Necessary Emergency Fund Program	Energy Cost Program	Total Cash Flow
1,140	1,430	5,970	0	1,490	0	507,107	8,040
0	0	0	0	1,500	0	0	2,900
0	50	1,011	0	0	0	15,440	(1,100)
0	0	1,785	0	1,470	0	0	2,900
0	0	1,020	0	0	0	0	0
0	0	0	0	(1,200)	(1,000)	0	(2,200)
0	1,000	0	0	0	0	0	1,000
0	1,000	0	0	0	(100)	0	800
0	0	1,000	0	1,000	0	0	2,000
0	0	1,000	1,000	0	0	0	2,000

CASH FLOW FROM OPERATING ACTIVITIES

Change in net assets  
 Adjustments to reconcile change in  
 net assets to net cash provided by  
 operating activities:  
 (Increase) decrease long-term  
 assets receivable  
 Other receivables  
 Increase (decrease) long-term  
 investments  
 Accounts payable  
 Accrued liabilities  
 Other payables

NET CASH PROVIDED BY  
OPERATING ACTIVITIES

NET INCREASE (DECREASE) IN CASH  
AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS,  
BEGINNING OF YEAR

CASH AND CASH EQUIVALENTS,  
END OF YEAR



**OTHER REPORT REQUIRED BY**  
**GOVERNMENTAL ACCOUNTING STANDARDS**

The following pages contain reports on the internal control structure and compliance with laws and regulations required by Government Auditing Standards, issued by the Comptroller General of the United States. The report on internal control structure is based on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses. The report on compliance with laws and regulations is, likewise, based solely on the audit of the presented financial statements and presents, where applicable, compliance matters that would be material to the presented financial statements.

# Major & Ducote

Certified Public Accountants

WALTER MAJOR, CPA, PC  
SUSYRA E. DUCOTE, CPA, PC  
JOHN S. DUCOTE, CPA, PC  
JOHN L. MORGENTHAU, III, CPA, PC

MEMBER  
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CERTIFIED PUBLIC ACCOUNTANTS

**MANAGEMENT LETTERS' REPORT ON INTERNAL CONTROL  
STRUCTURE BASED ON AN AUDIT OF  
BASIC FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT ACQUISITION STANDARDS**

To the Board of Directors  
Avoyelles Progress Action Committee, Inc.  
Macksville, Louisiana

We have audited the financial statements of the Avoyelles Progress Action Committee, Inc. in accordance with generally accepted auditing standards for the year ended September 30, 1984, and have issued our report thereon dated April 30, 1985.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of Office of Management and Budget Circular A-133, "Audit of Institutions of Higher Education and Other Nonprofit Organizations," those standards and OMB Circular A-133 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 Avoyelles Progress Action Committee, 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 structures, 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 recorded 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 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 the Avoyelles Progress Action Committee, Inc. for the year ended September 30, 1984, 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 such an opinion on the internal control structure. Accordingly, we do not express such an opinion.

## SUPPLEMENTARY INFORMATION

Board of Directors  
LoyeLine Progress Action Committee, Inc.  
Page 3  
April 28, 1987

#### **Finding Two**

##### **Condition**

A manual, detailed property ledger is kept for property and equipment. The ledger is not tallied and is not reconciled to the general ledger. The ledger should be updated for acquisitions and dispositions and reconciled to the general ledger.

##### **Criteria and Effect**

All property and equipment have been acquired with grant funds and some grants allow the granting agency to maintain a reversionary interest in the property. Also, the method of disposition of the assets is often determined by the granting agency.

In order to maintain control of fixed property, all property should be tagged. The master listing of property should include tag numbers and an accounting of issued tag numbers and numbers for disposed equipment. The schedule needs to be reviewed annually and adjustments made for disposition and/or obsolete property.

The property ledger must be kept current and reconciled to the general ledger accounting system.

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 errors or irregularities in accounts 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 material weaknesses as defined above. However, we believe some of the reportable conditions described above is a material weakness.

We also noted other matters involving the internal control structure and its operations that we have reported to management of the LoyeLine Progress Action Committee, Inc. in a separate letter dated April 28, 1987.

This report is intended for the information of the board of directors, management, and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.



MARK A. BROWN  
Marksville, Louisiana  
April 28, 1987

**Major & Duncie**  
Certified Public Accountants

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**INDEPENDENT AUDITORS' REPORT OF COMPLIANCE BASED ON  
AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Acropolis Program Action Committee, Inc.  
Barkville, Louisiana

We have audited the financial statements of The Acropolis Program Action Committee, Inc., a nonprofit organization, for the year ended September 30, 1984, and have issued our report thereon dated April 26, 1987.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States and provisions of Office of Management and Budget (OMB) Circular A-133, "Standards and Instructions of Higher Education and Other Recipients Institutions." These standards and OMB Circular A-133 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 Acropolis Program Action Committee, Inc. is the responsibility of Acropolis Program Action Committee, Inc.'s management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of Acropolis Program Action Committee, 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 disclose no instances of noncompliance that are required to be reported under Governmental Auditing Standards.

This report is intended for the information of the Board of Directors, management, and the legislative Auditor for the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.



YVES P. MAJOR  
Barkville, Louisiana  
April 26, 1987

**Major & Duroche**  
Certified Public Accountants

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MEMBERS  
ASSOCIATION OF CPAs OF  
LOUISIANA  
SOCIETY OF CHARTERED  
ACCOUNTANTS

**INDEPENDENT DIRECTORS' REPORT ON  
FINANCIAL STATEMENTS OF FEDERAL AGENCIES**

To the Board of Directors  
Acroyelles Program Action Committee, Inc.  
Marksville, Louisiana

We have audited the financial statements of Acroyelles Program Action Committee, Inc., an nonprofit organization, for the year ended September 30, 1987 and have issued our report thereon dated April 20, 1987. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, government auditing standards, issued by the Comptroller General of the United States and the provisions of OFFICE of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Organizations." These standards and OMB Circular A-133 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 statements 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 basic financial statements of Acroyelles Program Action Committee, 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 basic financial statements. The information in this schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

*Major & Duroche*

MAJOR & DUROCHE  
MARKSVILLE, LOUISIANA  
April 20, 1987

**Major & Duroche**  
Certified Public Accountants

WALTER MAJOR, CPA, PC  
JAMES L. DUROCHE, CPA, PC  
JAMES MAJOR, CPA, PC  
JAMES MAJORSON, JR., CPA, PC

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SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

**INTERIM AUDITORS' REPORT ON INTERNAL  
CONTROL STRUCTURE USED IN  
ADMINISTERING FEDERAL AWARDS**

To the Board of Directors  
Avopellee Program Action Committee, Inc.  
Baton Rouge, Louisiana

We have audited the financial statements of Avopellee Program Action Committee, Inc. a nonprofit organization, as of and for the year ended September 30, 1976, and have issued our report thereon dated April 30, 1977. We have also audited the compliance of Avopellee Program Action Committee, Inc. with requirements applicable to major federal award programs and have issued our report thereon dated April 30, 1977.

We conducted our audits 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) Circulars A-129, "Audit of Institutions of Higher Education and Other Nonprofit Institutions." These standards and OMB Circular A-129 require that we plan and perform the audit to obtain reasonable assurance about whether Avopellee Program Action Committee 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 September 30, 1976, we considered the internal control structure of Avopellee Program Action Committee, Inc. in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements of Avopellee Program Action Committee, Inc., and on its compliance with requirements applicable to major programs and on report on the internal control structure in accordance with OMB Circular A-129. This report addresses our consideration of internal control structure 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 separate report dated April 30, 1977.

The management of Avopellee Program Action Committee, 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 is to provide management with information, not only absolute, assurance that errors are safeguarded against loss from unauthorized use or disposition, the 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 any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projections of any evaluation of the structure to future periods are 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:

- Cash
- Support, program service fees, revenues, and receivables
- Leased materials, facilities, and services
- Expenses for program and supporting services and accounts payable
- Payroll and related liabilities
- Property and equipment
- Governmental financial assistance programs
  - General requirements:
    - Political activity
    - Civil rights
    - Cash management
    - Federal financial reports
    - Administrative requirements
    - Allowable costs and cost principles
    - Buy-Use work plans
  - Specific requirements:
    - Types of services allowed or not allowed
    - Eligibility
    - Reporting
    - Claims for advance and reimbursements

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

During the year ended September 30, 1986, Appellate Program Action Committee expended 84% of its total Federal awards under major Federal award programs.

We performed tests of controls, as required by SAS Circular 4-133, 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, requirements governing claims for advances and reimbursements, and amounts claimed are used for matching that are applicable to each of the organization'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 organization's ability to administer Federal award programs in accordance with applicable laws and regulations.



#### **Finding One**

##### Condition

The Agency is not making proper use of the payroll imprest account and reconciling the account to general ledger.

The Agency utilizes a centralized payroll system, whereby all payroll checks are issued from one bank account and then each fund reimburses the payroll bank account. The following were noted about the payroll account during the course of the audit:

\*The payroll account was not included as an account in any of the programs, nor was it presented as a separate program account.

\*The payroll account did not function as a true imprest account, where the account reconciles to a fixed amount in the bank account at all times.

\*No reconciliation was performed to tie the payroll from all programs back to the quarterly payroll reports.

##### Criteria and Effect

The proper functioning of all the conditions listed above are an integral part of a strong internal control system.

In order for the internal control system to function properly, an imprest account must be treated as such and all accounts must be included in the general ledger system of an entity. Also, to ensure all payroll is properly reported and all payroll funds identified, a reconciliation must be performed tying total payroll from the general ledger to the quarterly reports.

#### **Finding Two**

##### Condition

A manual, detailed property ledger is kept for property and equipment. The ledger is not detailed and is not reconciled to the general ledger. The ledger should be updated for acquisitions and dispositions and reconciled to the general ledger.

##### Criteria and Effect

All property and equipment have been acquired with grant funds and some grants allow the granting agency to maintain a reversionary interest in the property. Also, the method of disposition of the assets is often determined by the granting agency.

In order to maintain control of fixed property, all property should be tagged. The master listing of property should include tag numbers and an accounting of unused tag numbers and numbers for disposed equipment. The schedule needs to be reviewed annually and adjustments made for dispositions and/or obsolete property.

The property ledger must be kept current and reconciled to the general ledger accounting system.

Board of Directors  
Aviation Programs Action Committee, Inc.  
Page 4  
April 28, 1987

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 considered to be material weaknesses as defined above. However, we believe that none of the reportable conditions described above is a material weakness.

We also noted other matters involving the internal control structure and its operation that we have reported to the management of Aviation Programs Action Committee, Inc. in a separate letter dated April 28, 1987.

This report is intended for the information of the Board of Directors, management, and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.



MARY STEWART  
Nashville, Louisiana  
April 28, 1987

# Major & Ducote

Certified Public Accountants

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JOHN S. DUCOTE, CPA, FC  
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MEMBERS  
ASSOCIATION OF CPAS OF  
LOUISIANA  
SOCIETY OF CPAS OF  
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CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL AWARD PROGRAMS

To the Board of Directors  
Avoyelles Progress Action Committee, Inc.  
Bastropville, Louisiana

We have audited the financial statements of Avoyelles Progress Action Committee, Inc. (a nonprofit organization) as of and for the year ended September 30, 1966, and have issued our report thereon dated April 26, 1967.

We have also audited the compliance of Avoyelles Progress Action Committee, Inc. with the requirements governing types of services allowed or disallowed; eligibility; reporting; claims for advances and reimbursements that are applicable to each of its major federal award programs, which are identified in the accompanying Schedule of Federal Awards, for the year ended September 30, 1966. The management of Avoyelles Progress Action Committee, Inc. is responsible for the Organization's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those 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) Circulars A-133, "Standards of Institutions of Higher Education and Other Nonprofit Institutions". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to in the second paragraph occurred. An audit includes reasoning, on a test basis, evidence about the Organization's compliance with those requirements. We believe that our audits provide a reasonable basis for our opinion.

The results of our audit procedures did not disclose any immaterial instances of noncompliance with the requirements referred to in the second paragraph.

In our opinion, Avoyelles Progress Action Committee, 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 award programs for the year ended September 30, 1966.

This report is intended for the information of the Board of Directors, management and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.

*Major & Ducote*  
W. F. MAJOR  
Bastropville, Louisiana  
April 26, 1967

Memorandum To: Coments to Improve  
APAC's Operations

In connection with the examination, we offer the following comments to improve the City's operations.

1. Utilization of Contract Accountant.

APAC utilizes the services of a contract accountant to perform general ledger functions. In order to utilize these services to their fullest, there are certain areas in which APAC could request and/or expect information:

- \*Frequent inclusion of all accounts of the agency
- \*Reconciliation of interfund receivables/payables
- \*Calculation of depreciation in accordance with generally accepted accounting standards
- \*Timely receipt of monthly information.

2. Timely filing of reports.

The 1978 Form 9-3 was dated April 1978 and signed by the contract accountant. This report should have been filed by February 28, 1979. Care should be taken by the agency to file these reports timely.

3. Maintenance of property ledger.

As discussed in the internal control reports, the property ledgers should be updated annually and agreed to the general ledger. APAC should consider the possibility of utilizing a computerized system to track property and equipment.

4. Timeliness of the annual audit report.

The annual audited financial statements are required to be submitted to the Legislative Auditor within one month of the agency's year end, which would be by March 30, 1979.

The audited financial statements are being submitted after this date due to several reasons: difficulty in obtaining information from the prior auditor, illness of the executive director, and difficulty in obtaining a response from the attorney. These circumstances were beyond the agency or the auditors' control. The audit has been completed and submitted as quickly as possible after the due date. The Legislative Auditor for the State of Louisiana was notified of the situation and the agency will do all possible in future years to prevent this situation from recurring again.

**OTHER REPORTS REQUIRED BY  
OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A-133**

The following pages contain reports on the schedule of Federal awards, and on internal control and compliance with laws and regulations required by OMB, Circular A-133. The report on the general accounting and administrative controls relates to matters that could be significant and/or material to Federal program awards. The report on compliance with laws and regulations is, likewise, related to areas of compliance with laws and regulations relating to Federal program awards.

**AMSTERDAM PROGRAMS ACTION COMMITTEE, INC.**  
**Notes to the Financial Statements (Continued)**  
**SEPTEMBER 30, 1984**

**NOTE C - DEPARTURE FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (Continued)**

AACI maintains a descriptive property ledger which details property and equipment acquired since its inception. The number of individual assets in the ledger is large and the calculation of depreciation to conform with GAO No. 83 would be burdensome. The majority of the assets were acquired over five to seven years ago and would be fully depreciated under the provisions of GAO No. 83.

The Agency has not adopted the provisions of FRS No. 81 for the fiscal year ended September 30, 1984, and instead has reserved a portion of net assets to reflect the amount of property and equipment.

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

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

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

**NOTE E - INTERPROGRAM RECEIVABLES/PAYABLES**

As of September 30, 1984, the following interprogram receivables/payables existed:

	<u>Receivable</u>	<u>Payable</u>
Non-Federal Programs:		
General Fund	\$ 2,389	\$ -
Federal Programs:		
Head Start	-----0-	1,589
<b>Totals</b>	<u>\$ 2,389</u>	<u>\$ 1,589</u>

**NOTE F - GRANTS RECEIVABLE**

As of September 30, 1984, grants receivable was composed of:

Head Start:	
Health & Human Service	\$ 8,845
ITTA	574
Child Care Food:	
State Dept. of Treasury	10,000
<b>Total</b>	<u>\$ 19,419</u>

**Major & Duroche**  
Certified Public Accountants

WALTER MAJOR, CPA, PC  
ALCORN MAJOR DUROCHE, CPA, PC  
PLANT DUROCHE, CPA, PC  
SUITE 100, MONROE, LA, CPA, PC

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**INDEPENDENT AUDITORS' REPORT  
ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE  
TO FEDERAL AWARD PROGRAMS**

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

We have audited the financial statements of the Avoyelles Progress Action Committee, Inc. (a nonprofit organization) for the year ended September 30, 1986, and have issued our report thereon dated April 30, 1987.

We have applied procedures to test the compliance of Avoyelles Progress Action Committee, Inc. with the following requirements applicable to its federal award programs, which are identified in the accompanying Schedule of Federal Awards, for the year ended September 30, 1986:

- Political activity
- Civil rights
- Cash management
- Federal financial reports
- Allowable costs/cost principles
- Drug-free Workplace Act
- Administrative requirements

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

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 Avoyelles Progress Action Committee, Inc. had not complied, in all material respects, with these requirements.

This report is intended for the information of the board of directors, management, and the legislative Auditor for the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.

*Major & Duroche*  
WALTER MAJOR  
Marksville, Louisiana  
April 30, 1987



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**AVOUELLES PROGRESS ACTION COMMITTEE, INC.**

**AUDIT OF FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED SEPTEMBER 30, 1996**

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

Release Date: MAY 28 1997

**MAJOR & DUCOTE**  
Certified Public Accountants  
P. O. Box 309  
212 North Washington St.  
Barkville, MS 39151



**AVOYELLES PROGRAMS ACTION COMMITTEE, INC.**  
**Notes to the Financial Statements (continued)**  
**SEPTEMBER 30, 1988**

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

**Expenditures:**

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

**Totals - Basis Only**

The total columns on the statements are prepared basis only to indicate that they are presented only as illustrative financial analysis. Data in these columns does not present financial position as results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a conventional basis.

**NOTE B - PROPERTY AND EQUIPMENT**

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

As of September 30, 1988, all property and equipment owned by APMC has been acquired with grant monies.

Property and equipment consist of the following:

	Balance \$12,000	Additions	Dispositions	Balance \$12,000
Direct Federal Programs	\$12,000	\$ 0	\$ 0	\$12,000
Indirect Federal Programs	0	0	0	0
Non-Federal Programs	0	0	0	0
<b>Totals</b>	<b>\$12,000</b>	<b>0</b>	<b>0</b>	<b>\$12,000</b>

**NOTE C - DEPARTURE FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES**

SSAS No. 91, effective for fiscal years beginning after May 15, 1980, requires the recognition of depreciation in the financial statements of a non-profit organization. This statement provides that the nonprofit organizations adopt accounting changes needed to conform to statement's provisions.

In order to apply the provisions of SSAS No. 91, estimates of the useful lives and salvage values of property and equipment must be determined. Depreciation is then calculated using a method of depreciation recognized under generally accepted accounting principles.

NOVEMBER 1968 HOUSE SELECT COMMITTEE

TABLE OF CONTENTS

	PAGE NO.
INDEPENDENT AUDITORS' REPORT	1-3
COMBINED STATEMENT OF FINANCIAL POSITION	3
COMBINED STATEMENT OF ACTIVITIES	4
COMBINED STATEMENT OF CASH FLOWS	5
NOTES TO FINANCIAL STATEMENTS	6-11
SUPPLEMENTARY INFORMATION:	
COMBINED STATEMENT OF FINANCIAL POSITION - ALL INDIRECT FEDERAL FUNDS	14
COMBINED STATEMENT OF ACTIVITIES - ALL INDIRECT FEDERAL FUNDS	15
COMBINED STATEMENT OF CASH FLOWS - ALL INDIRECT FEDERAL FUNDS	16
<u>OTHER REPORTS REQUIRED BY GOVERNMENT ACQUISITION STANDARDS</u>	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURES BASED ON AN ASSESSMENT OF BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT ACQUISITION STANDARDS</u>	18-20
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN ASSESSMENT OF BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT ACQUISITION STANDARDS</u>	21
OTHER REPORTS REQUIRED BY OFFICE OF MANAGEMENT AND BUDGET (OMB) (CIRCULAR A-133)	
INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF FEDERAL AGENCIES	22
SCHEDULE OF FEDERAL AGENCIES	24
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURES USED IN ADMINISTERING FEDERAL AGENCIES	24-28
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL AWARD PROGRAMS	29
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL AWARD PROGRAMS	30

**Major & Dilute**  
**Certified Public Accountants**

YVES MAJOR, CPA, PC  
SUZANNE E. DILUTE, CPA, PC  
SUZANNE DILUTE, CPA, PC  
JENNIFER ANDERSON, CPA, PC, CFC

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditors' Report**

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

We have audited the accompanying statement of financial position of the Acropolis Progress Action Committee, Inc., a nonprofit organization, as of September 30, 1997, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Rules of Investigations of Higher Education and Other Nonprofit Organizations." Those standards and OMB Circular A-133 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 explained in Note F to the financial statements, depreciation on property and equipment purchased with grant funds is not recorded on the financial statements. In our opinion, generally accepted accounting principles require that depreciation on property and equipment be recorded in the financial statements. It was not practicable to determine the effects of the unrecorded depreciation on the financial statements.

In our opinion, except for the effects of not recording depreciation, as discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the Acropolis Progress Action Committee, Inc. as of September 30, 1997, and the changes in its net assets and cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated April 30, 1997, on our consideration of Acropolis Progress Action Committee, Inc.'s internal control structure and a report dated April 30, 1997 on its compliance with laws and regulations.

Board of Directors  
Page 2  
April 28, 1987

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying financial information listed as "Supplemental Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the Acropolis Program Action Committee, Inc. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.



MARK S. HUNTER  
Marksville, Louisiana  
April 28, 1987

**AVOUELLES PROGRESS ACTION COMMITTEE, INC.**  
**Combined Statement of Financial Position**  
**All Programs**  
**September 30, 1998**

	Direct Federal Program	Indirect Federal Programs	Non-Federal Programs	Totals None Only
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash-equivalents	\$ (2,730)	\$ 68,308	\$ 9,302	\$ 75,000
Grants receivable	2,905	19,388	0	22,293
Due from other programs	0	0	1,808	1,808
Prepaid expenses	8,098	0	0	8,098
Total current assets	<u>5,273</u>	<u>87,696</u>	<u>11,110</u>	<u>104,079</u>
<b>Property, Plant &amp; Equipment</b>				
Property and equipment	212,108	9,104	0	221,212
<b>Other Assets</b>				
Deposits	108	0	0	108
<b>TOTAL ASSETS</b>	<u>\$ 217,481</u>	<u>\$ 87,800</u>	<u>\$ 11,110</u>	<u>\$ 316,391</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 0	\$ 8,373	\$ 0	\$ 8,373
Accrued expenses	2,089	698	7,201	9,988
Due to other programs	1,808	0	0	1,808
Total liabilities	<u>3,897</u>	<u>9,071</u>	<u>7,201</u>	<u>20,169</u>
<b>Net Assets</b>				
Residual for property	212,108	9,104	0	221,212
Unrestricted	1,755	71,808	3,890	77,453
Total net assets	<u>213,863</u>	<u>80,912</u>	<u>3,890</u>	<u>298,665</u>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<u>\$ 217,481</u>	<u>\$ 87,800</u>	<u>\$ 11,110</u>	<u>\$ 316,391</u>

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

**ANDYELLES PROGRESS ACTION COMMITTEE, INC.**  
 Combined Statement of Activities  
 All Programs  
 For the Year Ended September 30, 1995

	Direct Federal Program	Indirect Federal Programs	Non-Federal Programs	Totals None Only
<b>UNRESTRICTED NET ASSETS:</b>				
<b>Support</b>				
Grants earned	\$ 1,112,080	\$ 202,824	\$ 0	\$ 1,314,904
In-kind contributions	312,020	0	0	312,020
Other support	507	1641	0	2,148
<b>Total Support</b>	<u>1,424,607</u>	<u>204,465</u>	<u>0</u>	<u>1,629,072</u>
<b>Expenses:</b>				
<b>Program Services:</b>				
Salaries	720,647	127,380	0	848,027
Fringe benefits	173,808	18,985	0	192,793
Contractual	17,834	1,381	0	19,215
Travel	30,877	2,031	0	32,908
Space costs	53,898	11,733	0	65,631
Consumable supplies	20,808	3,180	0	23,988
Materials cost	0	29,007	0	29,007
Other expenses	82,667	91,751	0	174,418
In-kind contributions	312,020	0	0	312,020
<b>Total Program Services</b>	<u>1,410,739</u>	<u>281,448</u>	<u>0</u>	<u>1,692,187</u>
<b>Increase (decrease) in unrestricted net assets</b>	<u>1,414</u>	<u>(76,983)</u>	<u>0</u>	<u>(75,569)</u>
<b>Net assets, beginning of year</b>	<u>288,449</u>	<u>87,808</u>	<u>3,670</u>	<u>379,927</u>
<b>Net assets, end of year</b>	<u>\$ 289,863</u>	<u>\$ 10,825</u>	<u>\$ 3,670</u>	<u>\$ 294,358</u>

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

SPECIALIZED PROGRAMS ACTION COMMITTEE, INC.  
 Combined Statement of Cash Flows  
 All Programs  
 For the Year Ended September 30, 1994

	Direct Federal Expenses	Indirect Federal Expenses	Non-Federal Expenses	Totals (Doll. Only)
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Change in net assets	\$ 3,428	\$ 18,983	\$ -0-	\$ 22,411
Adjustments to reconcile changes in net assets to net cash provided by operating activities:				
Increase (decrease) in op assets:				
Checks receivable	8,321	2,585	-0-	10,906
Other receivables	2,275	2,382	( 3,569)	( 422)
Prepaid expenses	( 2,882)	-0-	-0-	( 2,882)
Increase (decrease) in op liabilities:				
Accounts payable	( 750)	2,882	-0-	2,132
Accrued expenses	( 2,882)	851	2,181	( 422)
Other payables	2,882	( 2,882)	-0-	-0-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>3,892</b>	<b>( 12,753)</b>	<b>2,892</b>	<b>( 6,969)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchases of property and equipment	( 2,892)	-0-	-0-	( 2,892)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>( 2,892)</b>	<b>-0-</b>	<b>-0-</b>	<b>( 2,892)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>( 220)</b>	<b>( 12,753)</b>	<b>2,892</b>	<b>( 12,681)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>( 2,892)</b>	<b>79,235</b>	<b>2,892</b>	<b>79,235</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>( 3,112)</b>	<b>66,482</b>	<b>5,784</b>	<b>69,154</b>

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

**AVOYELLES PROGRAMS ACTION COMMITTEE, INC.**  
**Notes to the Financial Statements**  
**SEPTEMBER 30, 1984**

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

**Nature of Organization:**

The Avoyelles Programs Action Committee, Inc. (APAC) was organized in 1968, its purpose being to serve as a community action agency for the parishes of Avoyelles, Louisiana. Its goal is to provide a central agency to focus on available local, state, federal and private resources to assist the disadvantaged residents of Avoyelles Parish.

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

**Nature of Activities:**

The primary funding sources and their purposes of APAC are:

**Direct Federal Programs**

Department of Health & Human Services,

Head Start - a full year twice monthly program which provides comprehensive early child development for disadvantaged pre-school children.

**Indirect Federal Programs**

Department of Agriculture,

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

The Emergency Food Assistance Program - Admin Costs and Food Commodity Programs provide reimbursement for the direct costs of distribution of food commodities and the actual commodities themselves to needy families.

Department of Energy,

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

Department of Health & Human Services,

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

**Non-Federal Programs**

This accounts for general fund and state appropriated monies to cover other administrative costs of operating the APAC Agency. During the year ended September 30, 1984, APAC received no state appropriation monies.

**Method of Accounting:**

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



**SCOTTILE PROGRESS ACTION COMMITTEE, INC.**  
Notes to the Financial Statements (continued)  
**SEPTEMBER 30, 1964**

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

**Financial Statement Presentation:**

In 1958, AFAC adopted Statement of Financial Accounting Standards Board (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, AFAC is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions. As permitted by the new standard, AFAC has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present classes of net assets. The reclassification had no cumulative effect on the change in net assets for the year ended September 30, 1964.

AFAC also adopted SFAS No. 114, "Accounting for Contributions Received and Contributions Made," in 1962. In accordance with SFAS No. 114, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. The adoption had no cumulative effect on net assets at the date of the adoption. In addition, AFAC has not received any contributions with donor-imposed restrictions that would result in temporarily or permanently restricted net assets.

**Cash Equivalents:**

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

**Support and Revenue:**

Grant revenues are recognized as follows:

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

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

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

**AVOUILLES PROGRESS ACTION COMMITTEE, INC.**  
**SCHEDULE OF FEDERAL AWARDS**  
**YEAR ENDED SEPTEMBER 30, 1966**

<u>Federal Sponsor/ Pass-through Sponsor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Disbursements</u>
<b>U. S. Department of Agriculture</b>		
Passed through the State of Louisiana, Dept. of Education: Child and Adult Food Care Program	18-158	82,500
Passed through the State of Louisiana, Dept. of Agriculture: Emergency Food Assistance Program-Admin Costs	18-168	5,828
Emergency Food Assistance Program-Food Commodities	18-168**	18,800
<b>U.S. Department of Labor</b>		
Passed through Lafcadio Bark Employment Center: JTPA Title II Program	27-280	874
<b>U. S. Department of Justice</b>		
Passed through the State of Louisiana, Dept. of Social Services: Rehabilitation Assistance for Low-Income Persons	81-842	48,828
<b>U.S. Department of Health and Human Services</b>		
Green Program: Head Start	83-008*	2,187,870
Passed through the State of Louisiana, Dept. of Labor: Community Services Block Grant	83-028*	180,800
Emergency Community Services for the Homeless	83-072	22,824
<b>Other Federal Assistance</b>		
Indirect Programs: Transportation	-	28,828
<b>Total</b>		<b><u>\$ 1,428,824</u></b>

- \* Denotes a major program  
 \*\* Denotes a research program