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State Department
Audit Unit
Room 4142
1000 N. 17th St.
Tulsa, Okla. 74103

Bella Community Action Association, Inc.
Tululah, Louisiana

Financial Statements With Auditors' Report

As of and for the Year Ended June 30, 1986
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 ranked, 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: July 12 1987

COOK & MORRISART

Certified Public Accountants

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Management Letter

September 13, 1988

Board of Directors
Delta Community Action Association, Inc.
Tulaha, Louisiana

We have audited the financial statements of Delta Community Action Association, Inc. (Delta), for the year ended June 30, 1988, and have issued our report thereon dated September 13, 1988. In planning and performing our audit of the financial statements of Delta Community Action Association, Inc., we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

During our audit the following items were noted involving internal control structure and other operational matters which appear to merit your attention for consideration to improve the internal control or operations of Delta. These comments have been discussed with the appropriate members of management.

Reconciliation of Payroll Payroll

It was discovered during the course of our audit that the 941 quarterly payroll reports were not reconciled to the salary expense accounts in the agency's books-general ledgers of the various programs.

We suggest that this reconciliation be done each quarter when the reports are prepared. This provides additional control that all payroll activity has been considered in the payroll tax reports.

Fixed Assets

Delta does not have a listing of the Agency's fixed assets for all programs in a formalized Agency-wide format.

We recommend that Delta formalize their tracking of fixed assets by preparing an Agency-wide listing of fixed assets that is regularly updated for all additions and deletions.

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or relevant, 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

Personnel File Documentation

During our audit, we examined personnel files as part of our testing of payroll transactions. The personnel files examined did not consistently contain any documentation of the rates of pay for each employee or the programs the employee salary was to be charged to. Some of the files did contain a form that specified the amount for the employee to be paid, however, the form was not approved by anyone other than the employee. Also, the forms signed by the employee authorizing certain deductions to be taken from their pay checks did not always indicate the amount to be deducted.

We recommend that Delta establish a uniform Pay Authorization Form that indicates the employee rate of pay and the programs the employee is to be charged to. This form should be signed by the Executive Director. Any time there are changes to this information, a new form should be completed, signed and placed in the employee's personnel file. Each personnel file should also contain a Deductions Authorization Form indicating any deductions the employee chooses to have deducted from their paycheck, the amounts to be deducted and how often they are to be deducted. The employee should sign their approval of this form. Any time the deduction amounts change, a new form should be completed, signed and placed in the employee's personnel file.

Allocated Costs

The agency pays all of their rent, utilities and telephone from a Program Administration account. Other programs then reimburse this account for their share of these expenses. These reimbursements were not consistently billed to the various programs in a timely manner.

We suggest that Delta establish a formal method of allocating costs that is followed consistently and updated on a timely basis.

Approval for Payments

During our testing of expenditures for all programs, we noted that 30 out of 72 items tested were not approved for payment by anyone. The Executive Director and the Assistant Director usually signed the checks, but there was no approval of the invoices for payment.

We suggest that a formalized approval process be established and consistently applied to all programs of the agency. These procedures should detail who will approve, when during the process they will approve, and a method to ensure approvals have been obtained before any payments are made.

Payroll Documentation

Of the expenditures we tested, we discovered three payments that were made from statements and not from detailed invoices.

We suggest proper approval procedures be established to ensure payments are never issued without adequate detailed invoice information. This will enable the agency to ensure that items paid for have been received.

Travel Policy

During our testing of travel expenditures, we noticed the following related to travel:

- 1) Travel advance reconciliations upon return from travel were not always done timely.
- 2) When travel advance reconciliations were done and the employee owed money back to the agency, these funds were not always collected timely.

We recommend that Delta adopt a uniform Travel Advance Reconciliation form to be used consistently for all programs which will detail the method for calculating travel advances and will give a time frame for employees to prepare their travel advance reconciliations and to repay any funds due back to the agency. Someone should also be assigned the responsibility for issuing travel advances and following up on all outstanding travel advances.

Price Analysis

We examined the pricing analysis done on all of the purchases that we tested. In several instances, the client informed us that they performed their pricing analysis by reviewing the prices in various catalogs. However, there was no written evidence that a pricing analysis was performed. Section 45 of OMB Circular A-113 states that some form of cost or price analysis shall be made and documented in the procurement file in connection with every procurement action.

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

Bid Documents

We tested the procurement process in connection with all of the purchases that we selected for expenditure testing. We were only able to examine newspaper advertisements that requested bids for materials for the Rehabilitation Assistance Program and for food for the CHM and Adult Care Food Program. The responses received and the documentation relating to the selection of the successful bidder was not able to be located by Delta's personnel.

We suggest that adequate filing procedures be put in place to ensure that required documentation can be located in a timely manner.

Hold Checks

It came to our attention during our audit that accounting personnel prepares checks that are then signed and subsequently held in accounting and not issued until a later date. These checks were held for various reasons. The most common was a lack of available funds. These held checks caused the intersagency accounts to be out of balance in several instances, as well as other misstatements between funds. These were all corrected with audit adjusting entries.

We recommend that procedures be put in place to ensure that no checks are prepared until funds are available to issue them. Also, procedures should be established to eliminate any other circumstances that would require the preparation of checks that are not to be issued immediately.

Sub-recipients

During this audit period, Delta administered a Family Preservation grant that required payments to sub-recipients. There were certain procedures in place to monitor these sub-recipients, but there were no on-site visits by Delta and we feel that this would have strengthened their monitoring process over these sub-recipients. This program was discontinued in December, 1999.

We express sincere thanks to Delta personnel for the cooperation and assistance provided us during our audit. We are available to provide you assistance and consultation in the implementation of the above mentioned items. This letter is furnished solely for the use of management and the Board of Directors and is not intended to be used for any other purpose.



Cook S. Northing
Certified Public Accountant
September 13, 1999

Delta Community Action Association, Inc.
Tulahoma, Louisiana

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Independent Auditors' Report

To the Board of Directors
Delta Community Action Association, Inc.
Tulaha, Louisiana

We have audited the accompanying statement of financial position of Delta Community Action Association, Inc. (a nonprofit organization) as of June 30, 1980, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of Delta Community Action Association, 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 OMB Circular A-133, Audits of Institutions of Higher Education and Other Nonprofit Organizations. Those 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 explained in Note 1 (i) 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 \$28,800, and the net assets would be decreased by \$28,800 as of June 30, 1980, and the change in net assets would be increased \$800 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 Delta Community Action Association, Inc. as of June 30, 1980 and the changes in its net assets and its 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 September 13, 1998 and shown on pages 22-23 as our consideration of Delta Community Action Association, Inc.'s internal control structure and a report dated September 10, 1998 and shown on page 24 on its compliance with laws and regulations.

The accompanying supplemental schedules shown on pages 12-13 are presented for the purpose of additional analysis and are not a required part of the financial statements of Delta. 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 Information Schedules For Grants and Contracts Analysis" in the table of contents and shown on pages 15-28, are presented for the purpose of providing various funding sources of Delta Community Action Association, Inc. additional individual grant and contract analysis and are not a required part of the financial statements. The information is prepared on a prescribed basis of the various funding sources of Delta Community Action Association, Inc., and certain schedules are for periods other than Delta's audit year. These schedules are not presented in accordance with generally accepted accounting principles. Accordingly, the schedules mentioned previously on pages 15-20 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 and Marsh
Certified Public Accountants
September 13, 1998

Delta Community Action Association, Inc.
Tallahassee, Florida
Statement of Financial Position
June 30, 1988

Assets

Current assets:

Cash	\$ 186,287
Grant receivables	107,788
Due from other funds	<u>28,442</u>
Total current assets	322,517

Noncurrent assets:

Property and equipment	817,603
Accumulated depreciation	<u>(1,238,828)</u>
Total noncurrent assets	578,775

Total Assets

\$ 901,292

Liabilities and Net Assets

Current liabilities:

Accounts payable	\$ 120,843
Accrued liabilities	3,508
Due to other funds	26,442
Refundable advances	<u>112,829</u>

Total current liabilities

\$ 263,622

Net assets, restricted:

Operational:

Operating	73,581
Fixed assets	<u>544,814</u>

Total net assets

\$ 638,395

Total Liabilities and Net Assets

\$ 901,292

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

Delta Community Action Association, Inc.
Tulaha, Louisiana
Statement of Activities
For the Year Ended June 30, 1988

	<u>Enclosed</u>
Revenue and Other Support:	
Contractual revenue - grants	\$ 2,208,673
Miscellaneous revenue	8,434
Total revenue and other support:	<u>2,217,107</u>
Expenses:	
Head Start program	1,822,488
Child care - food program	127,782
Community services block grant	88,513
Home energy assistance	28,387
Vocational assistance	71,735
Family day care services	588,824
Delta recovery program	148,887
Bilingual education	493,158
Even Start	52,852
Commodity distribution	5,360
After-School	38,283
Family preservation	88,748
General services	28,897
Total expenses	<u>2,733,082</u>
Change in net assets	<u>(515,975)</u>
Net assets, as of beginning of year	448,883
Net assets as of end of year	<u>\$ -427,209</u>

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

Bella Community Action Association, Inc.
Tululah, Louisiana
Statement of Cash Flows
For the Year Ended June 30, 1998

Operating activities

Change in net assets	\$ (86,365)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	76,463
Increase/ decrease in operating assets:	
Grant receivables	63,764
Due from other funds	71,808
Increase/ decrease in operating liabilities:	
Accounts payable	(62,660)
Accrued liabilities	2,806
Due to other funds	(71,808)
Reimbursable advances	(139,819)
<u>Net cash used in operating activities</u>	<u>(186,529)</u>

Investing Activities

Payments for property and equipment	(73,873)
<u>Net cash used in investing activities</u>	<u>(73,873)</u>

Net (Increase) in cash and cash equivalents	(123,202)
Cash and cash equivalents as of beginning of year	208,529
Cash and cash equivalents as of end of year	<u>\$ 85,327</u>

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

Delta Community Action Association, Inc.
Tulahoma, Louisiana
Notes to Financial Statements
June 30, 1990

(7) **Summary of Significant Accounting Policies**

i. Nature of Activities

Delta Community Action Association, Inc. (Delta) is a private non-profit corporation incorporated under the laws of the State of Louisiana. Delta is governed by a Board of Directors composed of 16 members.

Delta operates as a community action agency administering various federal and state funded programs designed to provide assistance to the poor and disadvantaged in various parishes in Louisiana that Delta serves. The following programs, with their approximate percentage of total revenues indicated, are administered by Delta:

Head Start Program (28%) - Provides comprehensive early child development for disadvantaged and handicapped preschool children and their families. Funding is provided by federal funds from the U.S. Department of Health and Human Services.

Child Care Food Program (8%) - Provides a food service program in coordination with the Head Start Program. Funding is provided by federal funds from U.S.D.A. passed through the Louisiana Department of Education.

Community Services Block Grant (4%) - Administers programs designed to provide services and activities that will have a measurable impact on causes of poverty in the community. Funding is provided by federal funds passed through the Louisiana Department of Labor.

Home Energy Assistance (8%) - Assists low income households to offset the burden of high energy costs. Funding is provided by federal funds passed through the Louisiana Department of Social Services.

Weatherization Assistance (3%) - Weatherizes residential dwellings of low-income persons, particularly the elderly and handicapped low-income persons, in order to aid these persons least able to afford higher energy costs and to conserve needed energy. Funding is provided by federal funds passed through the Louisiana Department of Social Services.

Family Day Care Services (21%) - Provides a food service program for children in private nonprofit centers of approximately 130 homes. Financing is provided by federal funds passed through the Louisiana Department of Education.

Delta Recovery Program (5%) - Provides substance abuse treatment and education for eligible participants. Funding is provided by federal funds passed through the Louisiana Department of Health and Hospitals, Division of Alcohol and Drug Abuse.

(Continued)

Delta Community Action Association, Inc.
Baldwin, Louisiana
Notes to Financial Statements
June 30, 2000
(Continued)

Migrant Education and Enrichment (20%) - Provides assistance such as housing, to establish or improve programs designed to meet the special educational needs of migratory children of migratory agricultural workers or migratory fishers. Funding is provided by federal funds passed through the Louisiana Department of Education.

Commodities Distribution (15%) - Provides distribution of U.S.D.A. donated commodities to eligible persons in the community. Funding is provided by federal funds passed through the Louisiana Department of Agriculture and Forestry.

Miss-Less (11.8%) - Operates a Steering Committee designed to develop strategies for workforce development in the community. Funding is provided by non-federal funds from a private foundation.

Family Preservation (4%) - Provides services to families at risk for the removal of children under family dissolution. Funding is provided by federal funds passed through the Louisiana Department of Social Services.

B. Basis of Accounting

The financial statements of Delta 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

Delta is a non-profit corporation and is exempt from state and federal income taxes under Section 501 (c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to Delta's tax-exempt purpose is subject to taxation as unrelated business income. Delta had no such income for this audit period.

(Continued)

Delta Community Action Association, Inc.
Tulahoma, Louisiana
Notes to Financial Statements
June 30, 1980
(Continued)

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 these estimates.

F. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, Delta 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 the straight-line method over the estimated useful life of each asset. The Federal Government has a reversionary interest in property purchased with federal funds. Its disposition as well as the ownership of any proceeds therefrom is subject to federal regulations.

H. Revenue and Support

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

Contracted 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.

(Continued)

Delta Community Action Association, Inc.
Terrebonne, Louisiana
Notes to Financial Statements
June 30, 1998
(Continued)

1. Compensated Absence

Employees may accrue vacation leave up to 300 hours. Upon an employee's separation of employment, earned and/or accrued leave will be paid up to a maximum of 300 hours. Employees can also accrue sick leave, but accumulated sick leave is forfeited upon separation of employment. As June 30, 1998, the approximate amount of accumulated and vested employee leave benefits was \$76,680. It is Delta'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.

12. Change in Accounting Principles

Delta elected to adopt Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*, during the year ended June 30, 1998. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. This adoption had no effect on the change in net assets for the year ended June 30, 1998.

During the year ended June 30, 1995, Delta elected to adopt Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, Delta 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, Delta is required to present a Statement of Cash Flows. Delta 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 June 30, 1995.

13. Concentration of Credit Risk

Financial instruments that potentially subject Delta 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 June 30, 1998, Delta had no significant concentrations of credit risk in relation to grant revenue receivables.

Delta maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. As June 30, 1998, total cash balances held at financial institutions was \$233,025. Of this amount, \$200,440 was covered by FDIC and the remaining \$32,585 was collateralized by pledged securities.

(Continued)

Delta Community Action Association, Inc.
Tulhatch, Louisiana
Notes to Financial Statements
June 30, 1989
(Continued)

(4) Grant Receivables

Various funding sources provide reimbursement of allowable costs under contracts or agreements. These balances represent amounts due from funding sources at June 30, 1989, but received after that date.

(5) Due To and Due From Other Funds

The following schedule represents amounts due to and due from other funds at June 30, 1989:

Fund	Due From Other Funds	Due To Other Funds
General Services	\$ 12,800	\$ 12,800
Head Start Program	4,764	-
Child and Adult Care Food Program	2,508	4,764
Community Services Block Grant	4,294	7,897
Weatherization Assistance Program	-	4,800
Low-Income Home Energy Assistance Program	4,812	-
	\$ 29,878	\$ 29,878

(6) Property and Equipment

Property and equipment consist of the following:

	Estimated Depreciable Life	Purchased With Federal Funds	Purchased With Non-Federal Funds	Total
Buildings	25-30 years	\$ 173,580	-	\$ 173,580
Furniture and equipment	5-10 years	218,083	2,810	220,893
Vehicles	5 years	221,131	-	221,131
Accumulated depreciation		(272,082)	(300)	(272,382)
Net investment in property and equipment		\$ 340,611	\$ 2,510	\$ 343,121

Depreciation expense for the year ended June 30, 1989 was 176,857.

(Continued)

Delta Community Action Association, Inc.
Tulahoma, Louisiana
Notes to Financial Statements
June 30, 1986
(Continued)

(7) **Refundable Advances**

Delta 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.

(8) **Contractual Revenue - Grants**

During the year ended June 30, 1986, Delta received contractual revenue from federal and state grants in the amount of \$2,308,833. The continued existence of these funds is based on annual contract renewals with various funding sources.

(9) **Unrestricted, Operating Net Asset Deficits**

The deficits for individual programs within the operating net assets totaling \$ (1,322), are the result of unexpended funds in certain grant years. These deficits will be eliminated by transfers from nonfederal integrated funds as they become available.

The programs are as follows:

Community Services Block Grant	1 -	1971
Weatherization Assistance Program	<u>1</u>	<u>551</u>
	1.5	1,322

(10) **Retirement Plan**

Delta participates in a tax deferred annuity plan whereby an amount equal to 4% of the salary of eligible employees is contributed to purchase annuity contracts with an insurance company. The annuities are in the employee's name upon funding. The amount contributed for the year ended June 30, 1986 was 129,218.

(11) **Commodities Distribution**

The expenses shown as commodities distribution represent certain costs to distribute the commodities. The value of the commodities distributed was approximately 111,751 during June 30, 1986. The value of the commodities distributed is not reflected in the accompanying financial statements.

(12) **Leases**

Delta leases certain buildings under operating leases. Rental costs on these leases for the year ended June 30, 1986, were 126,580. Commitments under lease agreements having initial or remaining non-cancelable terms in excess of one year are 111,118 due for the year ending June 30, 1987.

Wells Community Action Association, Inc.
 (United Way)
 Operating Statement of Financial Position
 For the Year Ended June 30, 1999

Assets	Cash and Cash Equivalents	Accounts Receivable	Inventory	Prepaid Expenses	Fixed Assets	Total	Liabilities		Equity		Total
							Accounts Payable	Deferred Contributions	Reserves	Contributions	
Current assets											
Cash	1,248	1,248	0	0	0	2,496	0	0	0	0	2,496
Accounts receivable	0	0	0	0	0	0	0	0	0	0	0
Inventory	0	0	0	0	0	0	0	0	0	0	0
Prepaid expenses	0	0	0	0	0	0	0	0	0	0	0
Total current assets	1,248	1,248	0	0	0	2,496	0	0	0	0	2,496
Non-current assets											
Property and equipment	0	0	0	0	0	0	0	0	0	0	0
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0
Total non-current assets	0	0	0	0	0	0	0	0	0	0	0
Total assets	1,248	1,248	0	0	0	2,496	0	0	0	0	2,496
Liabilities and equity											
Current liabilities											
Accounts payable	0	0	0	0	0	0	0	0	0	0	0
Deferred contributions	0	0	0	0	0	0	0	0	0	0	0
Total current liabilities	0	0	0	0	0	0	0	0	0	0	0
Equity											
Reserves	0	0	0	0	0	0	0	0	0	0	0
Contributions	0	0	0	0	0	0	0	0	0	0	0
Total equity	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	0	0	0	0	0	0	0	0	0	0	0

Assets per Net Assets

Assets	Per Net Asset	Liabilities	Per Net Asset	Equity	Per Net Asset
Cash	1.248	0	0	0	1.248
Accounts receivable	0	0	0	0	0
Inventory	0	0	0	0	0
Prepaid expenses	0	0	0	0	0
Total current assets	1.248	0	0	0	1.248
Non-current assets	0	0	0	0	0
Property and equipment	0	0	0	0	0
Accumulated depreciation	0	0	0	0	0
Total non-current assets	0	0	0	0	0
Total assets	1.248	0	0	0	1.248
Liabilities and equity					
Current liabilities					
Accounts payable	0	0	0	0	0
Deferred contributions	0	0	0	0	0
Total current liabilities	0	0	0	0	0
Equity					
Reserves	0	0	0	0	0
Contributions	0	0	0	0	0
Total equity	0	0	0	0	0
Total liabilities and equity	0	0	0	0	0

Net assets

Assets	Net Assets	Liabilities	Net Assets	Equity	Net Assets
Cash	1,248	0	0	0	1,248
Accounts receivable	0	0	0	0	0
Inventory	0	0	0	0	0
Prepaid expenses	0	0	0	0	0
Total current assets	1,248	0	0	0	1,248
Non-current assets	0	0	0	0	0
Property and equipment	0	0	0	0	0
Accumulated depreciation	0	0	0	0	0
Total non-current assets	0	0	0	0	0
Total assets	1,248	0	0	0	1,248
Liabilities and equity					
Current liabilities					
Accounts payable	0	0	0	0	0
Deferred contributions	0	0	0	0	0
Total current liabilities	0	0	0	0	0
Equity					
Reserves	0	0	0	0	0
Contributions	0	0	0	0	0
Total equity	0	0	0	0	0
Total liabilities and equity	0	0	0	0	0

Data Concepts logo acquisition, Inc.
 Irvine, California
 Summary Schedule of Activities by Natural Expense Classification
 for the Year Ended June 30, 1984

Natural Expense Classification	Fixed Cost Expense	Variable Cost Expense	Direct Materials	Direct Labor	Manufacturing Overhead	Selling Expense	General and Administrative Expense	Research and Development Expense	Interest Expense	Other Expense	Total	Percentage of Total	
												Fixed	Variable
Income and Other Items:													
Depreciation expense	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Amortization expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on disposal of assets	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Expenses:													
Depreciation	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on disposal of assets	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Research and development	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Manufacturing	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Selling	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
General and administrative	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Interest	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Other	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Total	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Income and Other Items:													
Depreciation expense	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Amortization expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on disposal of assets	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Expenses:													
Depreciation	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on disposal of assets	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Research and development	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Manufacturing	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Selling	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
General and administrative	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Interest	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Other	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%
Total	1,000,000	10,000	20,000	10,000	50,000	80,000	100,000	100,000	100,000	100,000	1,000,000	10.00%	10.00%

**Supplemental Information Schedules Proposed
For Grants and Contracts Analysis**

Delta Community Action Association, Inc.
Tulahoma, Louisiana

Head Start Grant No. 08C8000005

Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Contract Period: July 1, 1986 to June 30, 1988

	Approved Budget	Actual	008 Balance Current Year
Revenues:			
Amount awarded this budget period	\$ 1,039,298	\$ 1,039,298	
Total Head Start Grant revenues	1,039,298	1,039,298	
Grantee's contribution	298,862	298,862	
Total revenues	1,338,160	1,338,160	
Expenses:			
Personnel	944,880	828,834	8,778
Fringe benefits	147,570	122,282	28,733
Travel	13,080	18,789	3,294
Equipment	83,580	88,063	13,447
Supplies	31,280	48,789	(14,509)
Other	288,758	282,328	(6,430)
Head Start grant expenses	1,039,298	1,039,298	-
Grantee's share	298,862	298,862	
Total expenses	1,338,160	1,338,160	
Revenues over expenses		-	
Fund balance, July 1, 1986		2,172	
Fund balance, June 30, 1988		<u>4 2,172</u>	
Fund balance analysis:			
Revenues over expenditures grant #8008000000		4 3,000	
Revenues over expenditures grant #8008000000		4,000	
Revenues over expenditures grant #8008000004		80	
Fund balance, June 30, 1988		<u>1 2,172</u>	

Delta Community Action Association, Inc.
 Tallulah, Louisiana
 Child and Adult Care Food Program
 Food Start Food Service
 Louisiana Department of Education
 Schedule of Revenues and Expenditures

For the Contract Period: October 1, 1994 to September 30, 1995

Revenues:

Contract revenue	\$	123,488
		123,488
Total revenue		123,488

Expenditures:

Salaries		80,250
Fringe benefits		11,458
Other administrative costs		2,750
Non food supplies		5,128
Food service costs		80,800
Total expenditures		179,886

Excess revenue (expenditures)		5,262
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Fund balance, October 1, 1994		5,262
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Fund balance, September 30, 1995		-
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Delta Community Action Association, Inc.

Tulaha, Louisiana

Community Services Block Grant

Department of Labor

Contract No. 05480035

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

For the Contract Period: October 1, 1984 to December 31, 1985

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over/ Under Budget</u>
Revenues:			
Contract revenue		\$ 124,850	
Total revenue		<u>124,850</u>	
Expenditures:			
Administration:			
Salaries	\$ 81,800	81,800	\$ -
Fringe benefits	12,250	12,250	29
Travel	7,507	6,888	821
Other support costs	<u>26,430</u>	<u>21,527</u>	<u>3,893</u>
Total administration	<u>128,087</u>	<u>122,465</u>	<u>4,839</u>
Program Activities:			
Emergency services	1,500	1,200	148
Commodity food and nutrition	3,218	1,217	1,442
Total expenditures	<u>132,805</u>	<u>124,882</u>	<u>7,923</u>
Excess revenues (expenditures)		-	
Fund balance, October 1, 1984		(700)	
Fund balance, December 31, 1985		<u>700</u>	

Delta Community Action Association, Inc.
 Yalftah, Louisiana
 Low-Income Home Energy Assistance Program
 Louisiana Department of Social Services
 Office of Community Services
 OCS No: 000121
 BSC #00000

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

	<u>Budget</u>	<u>Actual</u>	<u>(Over) Under</u> <u> Budget</u>
Revenues:			
Contract revenue		\$ 126,628	
Expenditures:			
Administrative costs	\$ 8,829	8,769	\$ 60
Services	117,710	118,920	1,210
Total expenditures	<u>\$ 126,539</u>	<u>\$ 127,689</u>	<u>\$ 1,150</u>
Excess revenue (expenditures)		885	
Fund balance, beginning October 1, 1994		4,408	
Fund balance, ending September 30, 1995		<u>\$ 5,293</u>	

Delta Community Action Association, Inc.
 Tallulah, Louisiana
 Weatherization Assistance Program
 Louisiana Department of Social Services
 Office of Community Services
 BSA Inc. 378-6710
 DSS #86002

Schedule of Revenues, Expenditures and Changes in Fund Balance
 For the Contract Period: April 1, 1986 to March 31, 1988

	<u>Budget</u>	<u>Actual</u>	<u>Over/Under</u> <u>Subject</u>
Revenues:			
Contract revenue		\$ 32,821	
Expenditures:			
Administrative costs	\$ 4,840	879	\$ 3,174
Program support and materials	44,408	20,424	23,876
Liability insurance	514	313	197
Training and technical assistance	848	360	640
Financial audit	271	-	271
Total expenditures	<u>\$ 50,881</u>	<u>\$ 22,821</u>	<u>\$ 28,060</u>
Excess revenue (expenditures)		-	
Fund balance, beginning April 1, 1986		1,862	
Fund balance, ending March 31, 1988		<u>\$ 1,862</u>	

Delta Community Action Association, Inc.
 Tallulah, Louisiana
 Family Day Care Home Program
 Louisiana Department of Education
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 For the Contract Period: October 1, 1984 to September 30, 1985

Revenues:

Contract revenue	\$ 108,853
Interest income	108
Total revenues	<u>108,961</u>

Expenditures:

Salaries	48,483
Fringe benefits	11,289
Travel	2,419
Supplies and postage	4,770
Rent and utilities	4,789
Telephone	2,804
Equipment	3,781
Books	4,398
Other costs	3,888
Provider payments	447,142
Total expenditures	<u>588,243</u>

Excess revenues (expenditures)	(479,282)
Fund balance, beginning October 1, 1984	8,188
Fund balance, ending September 30, 1985	<u>(471,094)</u>
Returned to funding source, March 28, 1986	(4,281)

Delta Community Action Association, Inc.
 Tallahassee, Louisiana
 Delta Recovery Center
 DHR Contract No. 50501
 Schedule of Revenue, Expenditures and Changes in Fund Balance
 For the Contract Period: July 1, 1995 to June 30, 1996

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over/ Under Budget</u>
Revenue:			
Contract revenue		\$ 140,000	
DHR fees		4,500	
Total revenue		<u>144,500</u>	
Expenditures:			
Salaries	\$ 80,448	80,428	\$ 20
Fringe benefits	12,418	12,818	(400)
Travel	3,800	2,800	1
Operating services	95,271	97,800	(2,529)
Supplies	1,200	1,400	(200)
Professional services	<u>10,800</u>	<u>9,240</u>	<u>1,560</u>
Total federal expenditures	<u>\$ 193,737</u>	<u>193,686</u>	<u>\$ 51</u>
Miscellaneous non-federal expenses		5,150	
Total expenditures		<u>198,836</u>	
Excess revenue (expenditures)		(4,000)	
Fund balance, July 1, 1995		<u>30,211</u>	
Fund balance, June 30, 1996		<u>\$ 26,211</u>	

Delta Community Action Association, Inc.

Tulahoma, Louisiana

Migrant Education

Project No. FE-82-88-38-81-1

Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Contract Period: July 1, 1984 to September 30, 1985

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over Under Budget</u>
Revenues:			
Grant revenue		\$ 409,214	
Expenditures:			
Salaries	\$ 81,000	78,485	\$ 2,515
Employee benefits	17,060	12,530	4,530
Contracted services	296,878	237,130	59,748
Furnished property services	208	429	(221)
Other purchased property services	66,258	32,218	34,040
Supplies	6,808	10,858	(4,050)
Equipment	12,458	-	12,458
Flow-through	18,500	18,500	-
Indirect costs	21,218	23,764	(2,546)
Total expenditures	<u>\$ 486,376</u>	<u>428,850</u>	<u>\$ 57,526</u>
Excess revenues (expenditures)		(14,758)	
Fund balance, July 1, 1984		16,527	
Fund balance, September 30, 1985		<u>\$ 1,769</u>	

Delta Community Action Association, Inc.

Tulahoma, Louisiana

Migrant Education Consultant

Project No. FY-66-ME-28-01-1

Schedule of Revenues, Expenditures and Changes in Fund Balances
for the Contract Period: October 1, 1964 to September 30, 1965

	<u> Budget </u>	<u> Actual </u>	<u>Actual (Excess Under Budget)</u>
Revenue:			
Grant revenue		\$ 50,021	
Expenditures:			
Salaries	\$ 12,958	6,812	\$ 6,147
Employee benefits	2,341	1,288	1,053
Contracted services	20,467	20,894	(427)
Other purchased property services	6,252	13,845	7,593
Total expenditures	<u>\$ 42,018</u>	<u>42,839</u>	<u>\$ 821</u>
Excess revenue (expenditures)		7,182	
Fund balance, October 1, 1964		10,122	
Fund balance, September 30, 1965		<u>\$ 17,304</u>	

Belta Community Action Association, Inc.
Beltzoh, Louisiana
Temporary Emergency Food Assistance Program
Commodities Program
Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Period: July 1, 1985 to June 30, 1986

Revenues:

Contract revenue \$ 5,000

Expenditures:

Salaries 2,000
Fringe benefits 425
Travel 172
Supplies 100
Other 1,103

Total expenditures 5,000

Excess revenues (expenditures) 0

Fund balance, July 1, 1985 2,000

Fund balance, June 30, 1986 2,000

Delta Community Action Association, Inc.
 Thibodaux, Louisiana
 Miss-Less Program
 Schedule of Revenue, Expenditures and Changes in Fund Balance
 For the Period: January 1, 1995 to June 30, 1995

Revenue:

Contract revenue	\$ 40,021
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Expenditures:

Salaries	25,083
Fringe benefits	3,148
Traavel	1,140
Supplies	1,285
Consultants	7,338
Other	1,827

Total expenditures	40,333
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Excess revenue (expenditures)	308
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Fund balance, January 1, 1995	0
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Fund balance, June 30, 1995	\$ 308
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Delta Community Action Association, Inc.
 Tallulah, Louisiana
 General Unrestricted Funds
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 For the Period July 1, 1985 to June 30, 1986

	State Revenue	General	Program Administration	Total
Revenues:				
Miscellaneous income	\$ --	\$ 2,000	\$ 1,138	\$ 3,138
Interest income	--	1,348	--	1,348
Total revenues	<u>--</u>	<u>3,348</u>	<u>1,138</u>	<u>4,486</u>
Expenditures:				
Salaries	--	38,543	--	38,543
Fringe benefits	--	4,858	--	4,858
Travel	--	80	--	80
Food	--	8,800	--	8,800
Equipment	--	1,398	--	1,398
Rent and utilities	--	--	318	318
Miscellaneous	1,589	4,478	--	6,067
Total expenditures	<u>1,589</u>	<u>57,872</u>	<u>318</u>	<u>59,779</u>
Excess revenue expenditures	\$ 1,589	(\$ 54,247)	\$ 814	(\$ 51,844)
Fund balance, July 1, 1985	19,694	71,792	4,837	96,323
Transfers for administrative expenses	--	31,448	--	31,448
Fund balance, June 30, 1986	<u>\$ 19,694</u>	<u>\$ 48,993</u>	<u>\$ 4,837</u>	<u>\$ 73,524</u>

Federal Awards

COOK & MORESBART

Certified Public Accountants

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CFPA, CHFP, CFA,
A, CFP, CHFP, CFA

Report on Schedule of Federal Awards

To the Board of Directors
Delta Community Action Association, Inc.
Tulaha, Louisiana

We have audited the financial statements of Delta Community Action Association, Inc. for the year ended June 30, 1998, and have issued our report thereon dated September 13, 1998. These financial statements are the responsibility of Delta Community Action Association, Inc.'s management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-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.

Our audit was made for the purpose of forming an opinion on the basic financial statements of Delta Community Action Association, 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 that 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.



Cook & Moresbart
Certified Public Accountants
September 13, 1998

Louisiana Community Action Association, Inc.
 Tullahoma, Louisiana
 Schedule of Federal Awards
 For the Year Ended June 30, 1999

Federal Award Title / Program Title	Federal CFDA Number	Pass-Through Budget Number	Expenditures
Direct Programs:			
• Head Start FY 9-98-99	94.000	990000000	\$ 1,020,000
Passed Through Louisiana Department of Employment and Training			
• Community Services Block Grant FY 12-97-98	92.595	99000000	94,365
• Community Services Block Grant FY 12-98-99	92.595	99000000	63,834
Passed Through Louisiana Department of Social Services, Office of Community Services			
• Home Energy Assistance Program - Design FY 9-97-98	92.088	20000000	28,000
• Family Reunification FY 9-98-99	92.088	20000000	88,340
Passed Through Louisiana Department of Health and Hospitals, Division of Alcohol and Drug Abuse			
• Delta Recovery Center FY 9-98-99	92.063	500000	150,000
L.S. Department of Education			
Passed Through Louisiana Department of Education			
• Migrant Education FY 9-97-98	94.011	97-98-98-28-91-1	42,623
• Migrant Education FY 9-98-99	94.011	97-98-98-28-91-1	462,240
• Migrant Education Extension FY 9-98-99	94.011	97-98-98-28-91-1	14,284
• Migrant Education Extension FY 9-99-00	94.011	97-98-98-28-91-1	28,888

(Continued)

Ohio Community Action Association, Inc.
 Toledo, Ohio
 Agency of Federal Grants
 For the Year Ended June 30, 1979

Federal Grants - Pass-Through Agency Title	Federal FEMA Number	Pass-Through Contract Number	Expenditures
U.S. Department of State			
Prized through Technical Department of Social Services, Office of Community Services			
Rehabilitation Assistance Program FY 8-21-68	81-042	3798219	18,184
Rehabilitation Assistance Program FY 8-21-69	81-042	3798219	2,869
U.S. Department of Agriculture			
Prized through Technical Department of Education			
• CARE and Child Care Food Program (9008) FY 8-28-68	18-289	Unknown	16,241
• CARE and Child Care Food Program (9008) FY 8-28-69	18-289	Unknown	411,140
• CARE and Child Care Food Program (Head Start) FY 8-28-68	18-289	Unknown	70,897
• CARE and Child Care Food Program (Head Start) FY 8-28-69	18-289	Unknown	19,088
Prized through Technical Department of Agriculture and Society			
Temporary Emergency Food Assistance Program	18-289	Unknown	1,209
Food Distribution - State of Connecticut Distribution	18-289	Unknown	11,881
Total Federal expenditures			5,239,045

• Major Federal Financial Assistance Programs

**Reports in Accordance With
Government Auditing Standards**

COOK & MORRIS

Certified Public Accountants

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MEMBERSHIP FEE: \$100.00

OFFICE

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MONROE, LOUISIANA 70001

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

To the Board of Directors
Delta Community Action Association, Inc.
Beltzoh, Louisiana

We have audited the financial statements of Delta Community Action Association, Inc. as of and for the year ended June 30, 1988, and have issued our report thereon dated September 13, 1988.

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 Delta Community Action Association, 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, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors 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 Delta Community Action Association, Inc. for the year ended June 30, 1988, 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 & BISHBART

Certified Public Accountants

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

To the Board of Directors
Delta Community Action Association, Inc.
Tallulah, Louisiana

We have audited the financial statements of Delta Community Action Association, Inc. as of and for the year ended June 30, 1998, and have issued our report thereon dated September 13, 1998.

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

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under Government Auditing Standards.

This report is intended for the information of management, the Board of Directors and the various funding sources of the organization. This restriction is not intended to limit the distribution of this report.

Cook & Bishbart
Certified Public Accountants
September 13, 1998

**Reports in Accordance With
OMB Circular A-130**

COOK & MORRISARTY

Chartered Public Accountants

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

To the Board of Directors
Delta Community Action Association, Inc.
Tulahoma, Louisiana

We have audited the financial statements of Delta Community Action Association, Inc. as of and for the year ended June 30, 1990, and have issued our report thereon dated September 13, 1990. We have also audited Delta Community Action Association, Inc.'s compliance with requirements applicable to major federal programs and have issued our report thereon dated September 13, 1990.

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-130, Audits of Institutions of Higher Education and Other Recipients Institutions. These standards and OMB Circular A-130 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 Delta Community Action Association, Inc. complied with laws and regulations, noncompliance with which would be material to a major federal program.

In planning and performing our audits for the year ended June 30, 1990, we considered Delta Community Action Association, Inc.'s internal control structure in order to determine our auditing procedures for the purpose of expressing our opinions on Delta Community Action Association, Inc.'s financial statements and on its compliance with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-130. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal programs. We have addressed policies and procedures relevant to our audit of the financial statements in a separate report dated September 13, 1990.

The management of Delta Community Action Association, 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 awards 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, 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 programs in the following categories:

Accounting controls

- Budget
- Cash
- Revenue, receivables and receipts
- Donated materials, facilities and services
- Expenditures for goods and services and accounts payable
- Payroll and related liabilities
- Property, equipment and capital expenditures
- Debt and other liabilities
- Governmental financial assistance programs

Controls used in administering individual federal programs:

General requirements:

- Political activity
- Civil Rights
- Cash management
- Federal financial reports
- Allowable cost/audit principles
- Drug-Free Workplace Act
- Administrative requirements

Specific requirements:

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

For all of the internal control structure categories listed above, 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.

During the year ended June 30, 1998, Delta Community Action Association, Inc. expended 90% of its total federal awards under major programs.

We performed tests of controls, as required by SASB Circular 8-110, 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 the organization's major 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.

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 constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a 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 in a federal awards program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operations that we have reported to the management of Delta Community Action Association, Inc. in a separate management letter dated September 13, 1989.

This report is intended for the information of management, the Board of Directors and the various funding sources of the organization. This restriction is not intended to limit the distribution of this report.

Cook & Merchants
Certified Public Accountants
September 13, 1989

STON & BERKHAFF

Chartered Public Accountants

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

To the Board of Directors
Delta Community Action Association, Inc.
Tulalain, Louisiana

We have audited the financial statements of Delta Community Action Association, Inc. as of and for the year ended June 30, 1986, and have issued our report thereon dated September 13, 1986.

We have also audited Delta Community Action Association, Inc.'s compliance with the requirements governing types of services allowed or disallowed; eligibility; matching; level of effort; or earmarking; reporting; financial reports and claims for advances and reimbursements; special terms and provisions; and amounts claimed or used for matching that are applicable to each of its major federal programs, which are identified in the accompanying schedule of federal awards, for the year ended June 30, 1986. The management of Delta Community Action Association, Inc. is responsible for Delta Community Action Association, Inc.'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 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 Receipting 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 above occurred. An audit includes examining, on a test basis, evidence about Delta Community Action Association, Inc.'s compliance with those 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. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph. We also noted other matters that are referred to the management of Delta Community Action Association, Inc. in a separate management letter dated September 13, 1986.

In our opinion, Delta Community Action Association, Inc., complied, in all material respects, with the requirements governing types of services allowed as unallowable; eligibility; matching; level of effort; or cost-sharing; reporting; financial reports and claims for advances and reimbursements; special terms and provisions; and amounts claimed or used for matching that are applicable to each of its major federal programs for the year ended June 30, 1990.

This report is intended for the information of management, the Board of Directors and the various funding sources of the organization. This restriction is not intended to limit the distribution of the report.



Cook & Monhart

Certified Public Accountants

September 12, 1990

COOR & MORGENTHAU

Certified Public Accountants

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MEMBERSHIP NO. 23-462

MEMBER

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ACCOUNTANTS

ALABAMA INSTITUTE OF
CERTIFIED ACCOUNTANTS

MEMBER FIRM, CPA,
FEDERAL EMPLOYEES
& CHARITABLE ACTS, CPA

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

To the Board of Directors
Delta Community Action Association, Inc.
Tululah, Louisiana

We have audited the financial statements of Delta Community Action Association, Inc., as of and for the year ended June 30, 1986, and have issued our report thereon dated September 13, 1986.

We have applied procedures to test Delta Community Action Association, Inc.'s compliance with the following requirements applicable to its federal programs, which are identified in the accompanying schedule of federal awards, for the year ended June 30, 1986:

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

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Grants of Institutions of Higher Learning and Other Non-Profit Institutions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Delta Community Action Association, Inc.'s 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 our 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 Delta Community Action Association, Inc. has not complied, in all material respects, with these requirements.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which is described in the accompanying Schedule of Findings and Questioned Costs. We also noted other matters that we have reported to the management of Delta Community Action Association, Inc. in a separate management letter dated September 13, 1986.

This report is intended for the information of management, the Board of Directors and the various funding sources of the organization. This restriction is not intended to limit the distribution of this report.



Cook & Monhart
Certified Public Accountants
September 10, 1988

COOK & MERRITT

Certified Public Accountants

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

To the Board of Directors
Delta Community Action Association, Inc.
Tulaha, Louisiana

We have audited the financial statements of Delta Community Action Association, Inc., as of and for the year ended June 30, 1986, and have issued our report thereon dated September 13, 1986.

In connection with our audit of the financial statements of Delta Community Action Association, Inc., and with our consideration of Delta Community Action Association, Inc.'s internal control structure used in administer federal programs, as required by Office of Management and Budget Circular A-133, Audit of Institutions of Higher Education and Other Nonprofit Institutions, we selected certain transactions applicable to certain nonmajor federal programs for the year ended June 30, 1986. As required by OMB Circular A-133, we 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 Delta Community Action Association, Inc.'s compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of our 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 Delta Community Action Association, 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 September 13, 1986.

This report is intended for the information of management, the Board of Directors and the various funding sources of the organization. This restriction is not intended to limit the distribution of this report.



Cook & Merritt
Certified Public Accountants
September 13, 1986

Delta Community Action Association, Inc.
 Tallulah, Louisiana
 Schedule of Findings and Questioned Costs
 June 30, 1985

PREVIOUS YEAR FINDINGS:

Finding #1

The Family Day Care Home Program had 18,367 remaining for the contract period ended September 30, 1984. These funds were returned March 20, 1985.

Finding #2

The Residential Assistance Program did not spend the required percentage of materials expenditures as required by the contract. The funding source responded that they would allow the expenditures.

CURRENT YEAR FINDINGS

Finding #1:

The following final amounts reflect the totals for the grant ended September 30, 1985:

Category	CY 1985, F	Contract Start _Ending_	Funding _Source_	Funds _Received_	Funds _Expended_	Amount Due to (From) Funding Source
(1) Family Day Care Home Program:	70,000	9-30-85	Louisiana Dept. of Education			
Administration				\$ 60,267	\$ 60,000	\$ 267
Provider Payments				____948,280	____943,142	____5,138
				520,452	1,003,142	\$ 1,528

Recommendation:

We suggest that Delta communicate with this funding agency to resolve the disposition of these funds.

Management's Response:

Management will communicate with the funding source to resolve the disposition of these funds.

(Continued)

Delta Community Action Association, Inc.
Tululah, Louisiana
Schedule of Findings and Questioned Costs
June 30, 1998
(Continued)

Finding #1:

During our audit, we reviewed the bid process performed for obtaining materials for the Weatherization Assistance Program, Contract No. 3706218, CFDA #81.042. There was only one bid received for these materials and Delta did not obtain prior approval from the funding source for a sole source procurement.

Recommendation

Delta needs to communicate with this funding agency to resolve the allowability of the materials expenditures.

Management's Response

Management will communicate with the funding source to resolve the allowability of these materials expenditures.

Finding #2:

There is an unrecorded prior year fund balance due to the fact that unexpended funds on a prior year contract have not been returned to the appropriate funding source. There are also current year unexpended funds that need to be returned to the funding source. These are as follows:

<u>Program</u>	<u>Contract Ending</u>	<u>Unexpended Funds</u>
Liheap Energy Program	6-30-98	4,408
Liheap Energy Program	6-30-98	845

Recommendation

The Agency needs to communicate with this funding source to resolve the disposition of these funds.

Management's Response

Management will communicate with the funding source to resolve the disposition of these funds.