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Centre Community Action Committee, Inc.
Audited Financial Statements
March 31, 1998

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the State House Office of the Legislative Auditor and, when appropriate, at the office of the parish clerk of court.

Public Date: 1/20/99

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Cada Community Action Committee, Inc.
Alexandria, Louisiana

We have audited the accompanying statement of financial position of Cada Community Action Committee, Inc. as of March 31, 1998 and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in 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. 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 the 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.

In our opinion, the financial statements referred above present fairly, in all material respects, the financial position of Cada Community Action Committee, Inc. as of March 31, 1998, 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 our report dated December 10, 1998, as our consideration of Cada Community Action Committee, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Cada Community Action Committee, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and is not a

required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.


C. S. Tucker & Company
Certified Public Accountants

Alexandria, Louisiana
December 18, 1998

**Coola Community Action
Committee, Inc.**

Statement of Financial Position

March 31, 1998

Assets

Current assets	
Cash	\$ 344,188
Accounts receivable	<u>55,311</u>
Total current assets	<u>399,499</u>
Furniture and equipment (net of depreciation of \$858,164)	420,788
Deposits	<u>2,564</u>
Total assets	<u>\$ 722,851</u>

Liabilities and Net Assets

Current liabilities	
Accounts payable	\$ 344,732
Advances from other governmental units	<u>121,816</u>
Total current liabilities	<u>466,548</u>
Net assets	
Unrestricted	(26,807)
Temporarily restricted	<u>284,367</u>
Total net assets	<u>257,560</u>
Total liabilities and net assets	<u>\$ 724,108</u>

See accompanying notes to financial statements

**Central Community Action
Committee, Inc.**

Statement of Activities

For the year ended March 31, 1998

Revenues and other support:	<u>Unrestricted</u>	<u>Temporarily Restricted</u>
Grants	\$ -	\$ 3,068,585
In-kind contributions	111,408	-
Interest income	346	1,089
Reimbursements from other funds	-	209,269
Administrative fees	8,489	-
Net assets released from restrictions	<u>5,543,713</u>	<u>(5,543,713)</u>
Total revenues and other support	<u>5,663,890</u>	<u>(264,880)</u>
Expenses:		
Program expenses		
Head Start	4,091,134	-
Summer Child Care	190,967	-
Child and Adult Care Feeding Program	684,211	-
Community Services Block Grant	276,229	-
LIHEAP	219,652	-
Senior Citizens	47,248	-
Other Programs	76,033	-
Total program expenses	<u>5,595,605</u>	<u>-</u>
Change in net assets	<u>138,281</u>	<u>(264,880)</u>
Net assets, March 31, 1997 (as restated)	<u>(185,028)</u>	<u>549,056</u>
Net assets, March 31, 1998	<u>(26,807)</u>	<u>284,107</u>

See accompanying notes to financial statements.

**Credia Community Action
Commission, Inc.**

**Statement of Functional Expenses
For the year ended March 31, 1988**

Major Head	Program Services					Total
	Summer Field Care	Child and Adult Care Training Program	Services Block Grant	LIH/AF Care	Other Programs Care	
Salaries	\$ 1,000.00	\$ 77,776.00	\$ 179,648.00	\$ 3,992.00	\$ 11,714.00	\$ 3,083,274.00
Travel, meals and incidentals	500.00	9,548.00	23,786.00	48.00	1,784.00	40,576.00
Contractual services	60,000.00	-	-	895.00	936.00	61,831.00
Tuition	64,375.00	115.00	4,871.00	140.00	365.00	71,247.00
Supplies	99,908.00	193,437.00	34.00	-	552.00	394,031.00
Office expenses	119,119.00	68.00	8,316.00	1,499.00	919.00	130,061.00
Depreciation	17,942.00	-	-	-	-	17,942.00
Computer rental	-	8,043.00	-	-	-	8,043.00
Copiers and maintenance	71,542.00	1,565.00	16,428.00	-	89.00	89,524.00
Legal and professional	19,954.00	-	14,261.00	1,471.00	-	35,686.00
Publication department expenses	164,644.00	2,291.00	125.00	-	-	167,060.00
Miscellaneous costs	1,776.00	176,432.00	18,720.00	298,776.00	22,676.00	600,380.00
Insurance	16,646.00	-	1,425.00	-	368.00	18,439.00
Employee development and maintenance	18,367.00	-	1,419.00	-	-	19,786.00
Re-service costs	11,811.00	1,429.00	-	-	-	13,240.00
Printing	2,289.00	-	614.00	1,421.00	-	4,324.00
Publication and subscriptions	2,412.00	-	-	-	-	2,412.00
Activities	209,611.00	26,649.00	-	-	-	236,260.00
Telephone	19,091.00	37.00	4,298.00	-	9,991.00	33,417.00
Utilities	91,149.00	1,446.00	1,496.00	152.00	152.00	94,395.00
Rent	74,683.00	991.00	1,813.00	-	621.00	78,108.00
Vehicle expenses	171,036.00	1,436.00	-	-	-	172,472.00
Advertising	1,177.00	1,111.00	4,279.00	126.00	1,281.00	8,974.00
Communications/other fund	-	-	-	-	-	-
Donor charges	-	-	-	-	-	-
Total Functional Expenses	\$ 1,771,118.00	\$ 984,371.00	\$ 173,810.00	\$ 21,964.00	\$ 41,248.00	\$ 3,083,511.00
Verbal Approvals and (to) (of)	29,529.00	-	-	-	-	29,529.00
Contractual expenses of recipient	171,049.00	-	1,487.00	-	790.00	173,326.00
Revolving fund	11,119.00	-	-	-	-	11,119.00
Total Functional Expenses	\$ 1,983,815.00	\$ 984,371.00	\$ 175,307.00	\$ 21,964.00	\$ 42,038.00	\$ 3,199,495.00

See accompanying notes for financial statements

Corda Community Action
Committee, Inc.

Statement of Cash Flows

For the year ended March 31, 1988

<i>Cash flows from operating activities</i>	
Change in net assets	\$ (112,715)
<i>Adjustments to reconcile change in unrestricted</i>	
<i>net assets to net cash provided by operating activities:</i>	
Depreciation	141,244
Loss on disposition of equipment	29,529
Increase in accounts receivable	-47,169
Increase in accounts payable	9,896
Increase in other liabilities	<u>121,058</u>
<i>Net cash provided by operating activities</i>	136,089
<i>Cash flows from investing activities:</i>	
Purchase of fixed assets	<u>(65,146)</u>
	65,146
<i>Net increase in cash</i>	170,953
<i>Cash, beginning of year</i>	<u>73,252</u>
<i>Cash, end of year</i>	<u>244,205</u>

See accompanying notes to financial statements

Carle Community Action Committee, Inc.
Notes to Financial Statements
March 31, 1998

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization and Nature of Activities

Carle Community Action Committee, Inc. (the Agency) is a Community Action Agency established to fight poverty in Rapides Parish, Louisiana and the surrounding area. The Agency is a nonprofit organization under the Internal Revenue Code section 501(c)(3). The agency handles various grants awarded to help it in this fight against poverty. The major funding sources are Health and Human Services' Head Start grant which provides over seventy-five percent of the funding. This program, along with the Child and Adult Care Food Program, supports the Child Development Centers. Other substantial programs are the Community Services Block Grant and the Low-Income Home Energy Assistance Program. All of these funding sources are restricted in the types of expenditures that are allowable.

Basis of Accounting

The financial statements of the Agency have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Public Support and Revenue

Grant revenues are recognized as follows:

For entitlement grants in which unexpended funds are subject to future reprogramming, 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.

Contributions of donated noncash assets are recorded at their fair values in

Cresla Community Action Committee, Inc.
Notes to Financial Statements
March 31, 1998

the period received. Contributions of donated services are valued at a rate equal to a substitute teacher's hourly rate in the period received.

Grants and other contributions of cash and other assets are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated asset. 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.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. This will affect the reported amounts of assets and liabilities at the date of financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these amounts.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Agency considers all unrestricted highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

The Agency is required by certain grant provisions to maintain separate bank accounts.

Depreciation and Amortization

Property and equipment are recorded at cost or, if donated, at the estimated fair market value at the date of donation. Furniture and equipment are depreciated over their estimated useful lives of five to ten years using the straight-line method, with a half of a year's depreciation recognized in the years of acquisition and disposal. Leasehold improvements are being amortized over the shorter of the lease term or useful life.

Income Taxes

The Agency is a nonprofit organization as described in Section 501(c)(3) of the

Cofa Community Action Committee, Inc.
Notes to Financial Statements
March 31, 1998

Internal Revenue Code and is exempt from federal and state income taxes.

Compensated Absence

Employees of the Agency are entitled to paid vacations, sick days and personal days off, depending on job classification, length of service, and other factors. It is impracticable to estimate the amount of compensation for future absences, and, accordingly, no liability has been recorded in the accompanying statement of financial position. The Agency's policy is to recognize the costs of compensated absences when actually paid.

2. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

Cost reimbursements requested from Child and Adult Care Feeding Program	\$ 35,221
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3. ALLOWANCE FOR UNCOLLECTIBLE RECEIVABLES

No provision has been made for uncollectible receivables since management considers all receivables collectible.

4. PROPERTY AND EQUIPMENT

As of March 31, 1998, the cost and accumulated depreciation of fixed assets are as follows:

Furniture and equipment	\$1,279,072
Less accumulated depreciation	1,858,364
Net book value	\$ 420,708

Depreciation expense for the period was \$141,244.

5. NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as of March 31, 1998.

Creda Community Action Committee, Inc.
Notes to Financial Statements
March 31, 1998

Purpose restrictions accomplished:

Head Start	\$ 4,034,355
Summer Child Care	150,967
CACTP	684,211
CSBG	293,367
LEHRAP	245,725
General Administration	83,861
Senior Citizens	58,527
	<u>\$ 5,545,713</u>

6. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

Headstart	\$ 122,168
CSBG	1,381
CSBG - Homeless Program	260
General Administration	14,998
Senior Citizens	45,567
	<u>\$ 184,364</u>

7. LEASES

The Agency leases various buildings on an annual, renewable basis. The buildings are used primarily for Community Services Block Grant and Head Start.

8. DONATED SERVICES, MATERIALS AND FACILITIES

The Agency receives donated services from unpaid volunteers. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer effort under SFAS No. 116 have not been satisfied. The value of these services provided is \$1,013,565.

The Agency receives a reduced rate for rent expense for three Headstart Centers. The difference between the reduced rate paid the fair rental value of these facilities are recorded as an in-kind contribution. The value of this contribution for the year

Coala Community Action Committee, Inc.
Notes to Financial Statements
March 31, 1988

ended March 31, 1988 is \$98,800. The value of other donated specialized services, materials and supplies for the year ended March 31, 1988 is \$12,628.

The value of commodities received was \$51,500 for the year ended March 31, 1988.

9. PENSION PLAN

Effective December 1, 1977 the Agency adopted a TSA Program under Code §401(b) and a Retirement Plan under Code §408(a)(12)(A)(i). The plan year ends on March 31. Participants are fully vested immediately up to the amount of their employee contributions and partially or fully vested in the employer contributions based on the following schedule:

Years of Vesting Service	Vested Percentage
1	10%
2	30%
3	50%
4	70%
5	100%

Employees with 20 years of service or more are immediately vested. All other employees vest from the plan's implementation date. Eligible employees are those who perform more than 20 hours of service per week, are at least 21 years of age, and have completed one year of eligibility service. Entry dates for participation in the plan are semi-annual - April 1st and October 1st. The Agency contributes an amount equal to 100% of the employee's contributions for the plan year up to 2% of the participant's benefit compensation for each participant who is employed on the last day of the plan year and has completed 1,000 hours of service. Each employee's contribution is limited to \$9,500 (or the "indexed" 401(k) limit once it exceeds \$9,500).

10. CONCENTRATION OF CREDIT RISK

The Agency's programs serve the indigent, handicapped and elderly of the Central Louisiana community. Resources for these programs are provided primarily by government funding under grant contracts. Accounts receivable arise from the normal course of providing these services to be reimbursed by the various grantor agencies. No allowance has been provided for uncollectible accounts receivable.

The Agency maintains cash balances in excess of \$100,000 in banks which are insured by the Federal Deposit Insurance Corporation up to \$100,000.

Cedar Community Action Committee, Inc.
Notes to Financial Statements
March 31, 1998

11. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

12. PRIOR PERIOD ADJUSTMENTS

Certain errors, resulting in both the understatement of previously reported liabilities and understatement of previously reported expenses of the prior year were corrected this year, resulting in the following changes to net assets as of March 31, 1997 and the related Statement of Activities for the year then ended.

	<u>Net assets</u>	<u>Change in net assets</u>
As previously reported	\$ 578,275	\$ 132,127
Understatement of accounts payable	____(8,307)	____(8,307)
As adjusted	\$ 569,968	\$ 123,820



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Independent Auditor's Report on Compliance and on Internal Controls over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Directors
Crisis Community Action Committee, Inc.
Alexandria, Louisiana

We have audited the financial statements of Crisis Community Action Committee, Inc. (a nonprofit organization) as of and for the year ended March 31, 1998, and have issued our report thereon dated December 10, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Crisis Community Action Committee, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards and which is described in the accompanying schedule of findings and questioned costs as item 98-1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Crisis Community Action Committee, Inc.'s internal control over financial reporting 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 over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its



operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Casa Community Action Committee, Inc.'s ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 98-2 to 98-4.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that some of the reportable conditions described above is a material weakness.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



Robert B. Chapoy
Partner & Company
Certified Public Accountants

December 10, 1998



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Independent Auditor's Report on Compliance with Requirements Applicable To Each Major Program and an Internal Control Over Compliance in Accordance with OMB Circular A-133

To the Board of Directors
Cada Community Action Committee, Inc.
Alexandria, Louisiana

Compliance

We have audited the compliance of Cada Community Action Committee, Inc. with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133-Compliance Supplement¹ that are applicable to each of its major federal programs for the year ended March 31, 1998. Cada Community Action Committee, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Cada Community Action Committee, Inc.'s management. Our responsibility is to express an opinion on Cada Community Action Committee, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Cada Community Action Committee, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Cada Community Action Committee, Inc.'s compliance with those requirements.

As described in items 98-5 to 98-7 in the accompanying schedule of findings and questioned costs, Cedis Community Action Committee, Inc. did not comply with requirements regarding reporting, equipment management, and cash management that are applicable to Head Start and Community Services Block Grant awards. Compliance with such requirements is necessary, in our opinion, for Cedis Community Action Committee, Inc. to comply with requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, Cedis Community Action Committee, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended March 31, 1998.

Internal Control Over Compliance

The management of Cedis Community Action Committee, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Cedis Community Action Committee, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-113.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect Cedis Community Action Committee, Inc.'s ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 98-5 to 98-7.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe some of the reportable conditions described above is a material weakness.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.


Stephen R. Capron
Quantiles & Company
Certified Public Accountants

Alexandria, Louisiana
December 10, 1998

Corle Community Action Committee, Inc.
Schedule of Findings and Questioned Costs
Year Ended March 31, 1998

A. Summary of Auditor's Results

We have issued an unqualified opinion on the financial statements of Corle Community Action Committee, Inc. and a qualified opinion internal controls and on compliance for major programs for the year ended March 31, 1998.

We determined Type A programs to be those with expenditures exceeding \$100,000 and Type B programs to be those with expenditures less than \$100,000. Based on this criteria we determined the major programs of Corle Community Action Committee, Inc. for the year ended March 31, 1998 to be Head Start, Child and Adult Care Funding Program, and Community Services Block Grant programs. The Agency did not meet the criteria of OMB Circular A-133, § 510 to qualify as a low-risk auditee.

Our audit disclosed certain reportable conditions in the internal controls over financial reporting, however, none were noted to be material weaknesses. Our audit also disclosed certain reportable conditions in internal controls over major programs, however, none were noted to be a material weakness. Also, we noted certain instances of non-material noncompliance for major programs.

B. Findings on Compliance and on Internal Controls over Financial Reporting
Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards.

98-1

Statement of condition: Annual financial statements were not filed timely with the Louisiana Legislative Auditor's office as required by LSA-RS 24:514.

Criteria: An annual audit of the Agency's financial statements is to be filed with the Louisiana Legislative Auditor within six months of the close of the reporting period.

Effect of condition: The Agency is in violation of Louisiana law requiring annual financial statements to be filed timely.

Cause of condition: The Agency did not use a double entry accounting system during the period and, therefore, financial statements were difficult to produce.

Recommendation: A double entry system for recording transactions and providing auditors with a completed general ledger and trial balances at time of engagement has been implemented and appears to be operating efficiently. Existing accounting personnel are awaiting additional

training at a local university. Additional, qualified accounting personnel have been hired to supervise the financial and reporting functions of the accounting department.

Questioned costs: None.

98-2

Statement of Condition: Upon review of cash disbursements, two specific items were found to lack proper final approval prior to check signature by a board member. Also, all vouchers dated July 10, 1997 and July 11, 1997, which were not included in our testing, did not have final approval for check signature.

Criteria: It is the Agency's policy to have all purchase orders, invoices and the check attached to a voucher which is submitted to final approval prior to obtaining board members' signatures on the checks.

Effect of condition: This is a breakdown in the Agency's internal controls over cash disbursements that ensure proper authorization, cash disbursement amounts and account coding.

Cause of condition: No known cause for condition.

Recommendation: All checks presented to a board member for signature should be attached to a voucher that indicates final approval for payment.

Questioned costs: None.

98-3

Statement of condition: Upon review of cash disbursements, one item was noted to be a duplicate payment.

Criteria: Purchase orders and invoices should be reviewed carefully prior to payments to avoid duplicate payments.

Effect of condition: An invoice was paid twice.

Cause of condition: No known cause for condition other than lack of review prior to disbursement. A second purchase order was prepared after the date of service that was the same as the original purchase order.

Recommendation: Carefully review all invoices for date, amount, invoice number, etc. to determine that invoice has not already been paid.

Questioned costs: None.

98-d

Statement of Condition: Upon review of cash disbursement, two items were found that did not agree with the total of the invoices attached.

Criteria: Invoices are approved for payment and submitted to the accounting department for disbursement. Checks should total the invoices attached.

Effect of the condition: Cash disbursements are improperly made.

Cause of the condition: No known cause for condition other than lack of proper review prior to disbursement.

Recommendation: Review and total invoices carefully when preparing checks.

Questioned cost: None

C. Findings on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.

Department of Health and Human Services

Fiscal Year - CDEA 93-609

98-e

Statement of condition: The financial report Forms 269 which are required to be filed semi-annually and a final report within 90 days of year end were filed late. Also, all Forms 272 which are required to be filed quarterly were filed late.

Criteria: Forms 269 are to be filed 30 days after end of reporting period and a final report is to be filed within 90 days after end of fiscal year. Forms 272 are to be filed within 15 days after end of reporting period.

Effect of condition: The Agency has noncompliance with grant terms.

Cause of condition: The financial reports were difficult to prepare due to lack of a double entry accounting system. Also, the Agency had limited time and resources for keeping up with all assigned duties.

Recommendation: The Agency has hired additional accounting personnel to be responsible for financial and reporting functions of the accounting department. Also, the Agency has installed and implemented an accounting system that appears to be operating efficiently.

Questioned cost: None

Community Services Block Grant - CFDA 93.582

98.6

Statement of condition: Expenditure reports and activity reports are often filed late.

Criteria: Expenditure reports are to be filed monthly and are due by 15th day of the following month. Activity reports are to be filed semi-annually and are due on the 30th day following the reporting period.

Effect of condition: Reports are delinquent.

Cause of condition: No known cause for condition.

Recommendations: Individuals who are responsible for filing the reports should be provided with a schedule of report due dates. Procedures should be implemented to be sure reports are filed timely.

Questioned costs: None.

98.7

Statement of condition: An annual audit report was not timely filed.

Criteria: An annual audit report is to be filed within eight months of year end.

Effect of condition: The Agency has noncompliance with grant terms.

Cause of condition: The Agency did not have a sufficient accounting system in place to timely prepare financial statements or provide auditors with a general ledger in order to begin audit procedures until October, 1998.

Recommendations: The Agency has installed and implemented an accounting system in place that appears to be operating efficiently. Also, the Agency has hired additional accounting personnel to be responsible for financial and reporting functions of the accounting department.

Questioned costs: None.



CENLA COMMUNITY ACTION COMMITTEE, INC.

(CCAC)

230 Nelson Avenue

Alexandria, Louisiana 71301

Phone (504) 487-3478 - Fax (504) 487-3838

B. D. Douglas
Chairman, Board of Directors

John R. Day
Executive Director

CORRECTIVE ACTION PLAN

JANUARY 3, 1989

Department of Health and Human Services

Cenla Community Action Committee, Inc. respectfully submits the following corrective action plan for the year ended March 31, 1988.

Name and address of independent public accounting firm: **Douglas & Company, CPA's**
P. O. Box 10308, Alexandria, LA 71315

Audit Period: April 1, 1987 through March 31, 1988

The findings from the December 18, 1988 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS - FINANCIAL STATEMENT AUDIT

98-1 Annual financial statements were not filed timely.

Recommendation: A double entry system for recording transactions and providing auditors with a completed general ledger and trial balances at time of engagement has been implemented and appears to be operating efficiently. Existing accounting personnel are obtaining additional training at a local university. Additional, qualified accounting personnel have been hired to supervise the financial and reporting functions of the accounting department.

Action Taken: We concur with the recommendation and it was implemented as discussed above.

98-2 Two items were found to lack proper approval prior to check signature by a board member.

Recommendation: All checks presented to a board member for signature should be attached to a voucher that indicated final approval for payment.

Action Taken: As of October, 1998, all cash disbursements have appropriate approval vouchers.

98-3 One item was a duplicate payment.

Recommendation: Carefully review all invoices for date, amount, invoice number, etc. to determine that invoice has not already been paid.

Action Taken: Our new accounting system will help prevent duplicate payment of invoices.

98-4 Two items were found that did not agree with the total of the attached invoice.

Recommendation: Review and total invoices carefully when preparing checks.

Action Taken: In both instances, the vendor was underpaid and both of these have been corrected. All invoices are now carefully reviewed when preparing checks.

FINDINGS - FEDERAL AWARD PROGRAMS

DEPARTMENT OF HEALTH AND HUMAN SERVICES

98-5 The 269 and 272 financial reports were filed late.

Recommendation: The agency has hired additional accounting personnel to be responsible for financial and reporting functions of the accounting department. Also, the agency has installed and implemented an accounting system that appears to be operating efficiently.

Action Taken: We concur with the recommendation and it was implemented as discussed above.

COMMUNITY SERVICES BLOCK GRANT

98-6 Expenditure reports and activity reports are often filed late.

Recommendation: Individuals who are responsible for filing the reports should be provided with a schedule of report due dates. Procedures should be implemented to be sure reports are filed timely.

Action Taken: A Financial Manager with an accounting degree and a Financial Assistant I were hired to be responsible for financial and reporting functions of the accounting department. We have also purchased, installed and implemented an accounting system which is operating efficiently and reports are now filed in a timely manner.

99-7 An annual audit report was not timely filed.

Recommendation: The agency has installed and implemented an accounting system in place that appears to be operating efficiently. Also, the agency has hired additional accounting personnel to be responsible for financial and reporting functions of the accounting department.

Action Taken: We concur with the recommendation and it was implemented as discussed above.

If the Department of Health and Human Services has questions regarding this plan, please call Joan Lee at 314-867-5860.

Sincerely yours,



Joan Lee
Executive Director

JL:azc



CENLA COMMUNITY ACTION COMMITTEE, INC.

(CCAC)

100 Bolton Avenue

Albany, Louisiana 71701

Phone (337) 487-5104 • Fax (337) 487-1818

B. D. Bringle
Chairman, Board of Directors

Juan R. Lee
Executive Director

CENLA COMMUNITY ACTION COMMITTEE, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED MARCH 31, 1998

The following were findings related to federal award programs from the audit report for the year ended March 31, 1997.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

97-1: Head Start Program

Condition: An annual audited report of the financial statements was not filed timely.

Recommendation: Implement a double entry system for recording transactions and provide auditors with a completed general ledger and trial balances at time of engagement. Also, advise accounting personnel to attend a college level basic accounting class.

Current Status: We have implemented a dual entry accounting system that is operating efficiently and effectively. We have also hired an Financial Manager with an accounting degree to be responsible for financial and reporting functions of the accounting department.

97-2: Head Start Program

Condition: Financial reports Form 289 and 272 were not all filed timely.

Recommendation: Individuals who are responsible for filing the reports should be provided with a schedule of report due dates. Procedures should be implemented to be sure reports are filed timely.

Current Status: A Financial Manager with an accounting degree and a Financial Assistant I were hired to be responsible for financial and reporting functions of the accounting department. We have also purchased, installed and implemented an accounting system, which is operating efficiently.

95-3 Head Start Program

Condition: The agency drew more Head Start funds than was expended.

Recommendation: The agency has an accounts payable computer program which should be used to enter all invoices received. The audit report provided by the program provides a total of outstanding invoices and this amount should be used to request a draw down of funds. Also, before submission of the reports, a responsible individual who is not involved in preparing the report should reconcile the amounts reported.

Current Status: Procedures have been implemented to ensure draw downs do not exceed the immediate need for funds to cover allowable expenditures of the program for which the draw down is authorized.

DEPARTMENT OF LABOR

97-4 Community Services Block Grant

Condition: Some of the expenditure reports were filed late.

Recommendation: Individuals who are responsible for filing the reports should be provided with a schedule of report due dates. Procedures should be implemented to be sure reports are filed timely.

Current Status: A Financial Manager with an accounting degree and a Financial Assistant I were hired to be responsible for financial and reporting functions of the accounting department. We have also purchased, installed and implemented an accounting system, which is operating efficiently.

If the Department of Health and Human Services has questions regarding this plan, please call Jean Lee at 318-487-3800.

Sincerely yours,



Jean Lee
Executive Director

H.m

SUPPLEMENTARY INFORMATION

**Civil Community Action
Committee, Inc.**

**Schedule of Expenditures of Federal Awards
For the year ended March 31, 1978**

<u>Federal Grantor/ Pass Through/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>
Major Programs			
U.S. Department of Health and Human Services			
Head Start	93.580	66C115081302	\$ 3,818,985
Passed through Louisiana			
Department of Employment and Training			
Community Services Block Grant	93.500	9789014	222,913
Community Services Block Grant	93.500	9809014	68,833
Passed through Louisiana			
Department of Social Services			
Head Start Summer Child Care Program	93.586	318966	138,967
Low Income Home Energy Assistance	93.568	n/a	218,652
Total Dept of Health & Human Services			<u>4,479,375</u>
U.S. Department of Agriculture			
Passed through Louisiana			
Department of Education			
Child and Adult Care Food Program	18.538	n/a	478,942
Temporary Emergency Food Assistance Program	18.543	n/a	65,811
Total Department of Agriculture			<u>544,753</u>
Federal Emergency Management Agency			
Passed through United Way of Central Louisiana			
Disaster Assistance	93.523	n/a	6,122
Total			<u>\$ 5,031,948</u>

See accompanying notes to schedule of expenditures of federal awards.

Carle Community Action Committee, Inc.
Notes to Schedule of Expenditures of Federal Awards
For the year ended March 31, 1998

Note A - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Carle Community Action Committee, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirement of OMB Circular A-133, *Accounting of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note B - Food Distribution

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. For the year ended March 31, 1998 the Agency distributed food commodities valued at \$33,303. There were no food commodities in inventory at March 31, 1998.

**Costa Community Action
Committee, Inc.**

Condensed Statement of Financial Position

March 31, 2028

Current assets	Board Fund	Sundry Cash	Child and Adult Care Programs		Community Services Block Grant	L.I.B.E.P.	Senior Citizens	Other Programs	Total
			Care	Programs					
Cash	\$ 12,876	\$ 97,500	\$ 3,419	\$ 49,548	-	\$ 2,065	\$ 31,234	\$ 51,111	\$ 244,304
Accounts receivable	-	-	89,311	-	-	-	-	-	89,311
Due From other funds	46,283	-	-	1,533	-	-	14,527	3,437	71,811
Total current assets	59,159	97,500	92,730	51,081	-	2,065	45,761	54,548	371,544
Property and equipment	480,315	-	-	15,887	-	-	-	3,128	499,330
Prepaids	2,386	-	-	144	-	-	-	-	2,530
Total assets	\$ 942,859	\$ 97,500	\$ 92,730	\$ 67,112	\$ 69,887	\$ 2,065	\$ 45,761	\$ 57,676	\$ 1,168,527

Liabilities and Net Assets

General liabilities	Accounts payable	Advances from other governmental units	Due to other funds	Total current liabilities	Net assets	Unrestricted	Temporarily restricted	Total net assets	Total liabilities and net assets
\$ 214,400	-	\$ 18,534	\$ 26,498	\$ -	\$ 118	\$ 45,823	\$ 344,770	\$ 344,770	\$ 1,168,527
9,575	97,115	19,408	-	-	-	-	11,016	11,016	-
392	45,865	21,182	188	178	32	32	71,812	71,812	-
241,844	97,115	38,728	67,110	188	396	45,864	371,548	371,548	-
-	-	(17,883)	-	(17,883)	1,028	1,028	281	1,028	1,028
241,168	-	-	1,641	-	41,527	14,000	241,387	241,387	-
241,168	-	-	(17,883)	(1,641)	(1,641)	46,352	15,304	15,304	-
\$ 464,326	\$ 97,115	\$ 20,726	\$ 69,370	\$ (1,641)	\$ 41,527	\$ 46,352	\$ 15,304	\$ 146,883	\$ 1,168,527

This is not the financial statements or an integral part of this statement.

**Carle Community Action
Committee, Inc.**
Consolidated Statements of Activities
For the year ended March 31, 1998

	Summer-Child Care	Child and Adult Care Funding Program	Community Services Block Grant	Summer-Child Care	Child and Adult Care Funding Program	Community Services Block Grant	Summer-Child Care	Child and Adult Care Funding Program	Community Services Block Grant	Total
Revenues and other support										
Grants	\$ 3,030,407	\$ 474,941	\$ 200,778	\$ 46,424	\$ 119,281	\$ 46,424	\$ 46,424	\$ 46,424	\$ 46,424	\$ 3,968,588
In-kind contributions	111,288	-	-	-	-	-	-	-	-	111,288
Interest income	1,285	-	-	-	-	-	-	-	-	1,285
Investment income	-	285,349	-	-	-	-	-	-	-	285,349
Administrative fee	-	-	-	-	-	-	-	-	8,442	8,442
Total revenues	3,142,980	760,311	200,778	46,424	119,281	46,424	46,424	46,424	73,292	3,999,939
Expenses										
Program expenses										
Salaries	2,133,281	71,779	175,000	12,714	3,492	175,000	12,714	3,492	175,000	2,683,776
Payroll taxes and benefits	59,865	9,488	21,700	3,786	403	21,700	3,786	403	21,700	97,141
Contracted services	60,050	36	-	830	378	-	830	378	-	124,636
Taxes	47,792	125	4,651	349	165	4,651	349	165	397	53,717
Supplies	68,568	8,127	34	-	-	34	-	-	292	76,931
Other expenses	10,913	-	8,745	919	1,491	-	919	1,491	-	22,128
Depreciation	97,842	4,223	-	-	-	-	-	-	-	102,065
Equipment rental	-	8,093	1,011	-	-	1,011	-	-	-	10,114
Repairs and maintenance	18,998	1,703	3,484	39	-	3,484	39	-	-	24,204
Local and professional	104,044	1,991	14,486	3,182	8,472	14,486	3,182	8,472	-	140,665
Business telephone expenses	3,776	-	-	-	-	-	-	-	-	3,776
Travel/conferences	16,646	-	18,773	-	-	18,773	-	-	3,689	39,102
Insurance	18,368	-	1,419	-	-	1,419	-	-	368	20,156
Employee development/retraining	13,411	6,288	-	-	-	-	-	-	-	19,699
Professional fees	2,899	-	634	-	-	634	-	-	-	3,533
Printing	2,472	-	-	-	1,452	-	-	-	-	3,924
Publishing and subscription	28,925	15,879	-	-	-	-	-	-	-	44,804
Audited	93,095	87	4,588	152	-	4,588	152	-	-	98,022
Telephone	1,340	1,088	-	-	-	-	-	-	-	2,428
Utilities	70,685	973	2,615	601	-	2,615	601	-	-	74,814
Rent	177,354	1,474	-	-	-	-	-	-	-	178,828
Vehicle expenses	-	-	-	-	-	-	-	-	-	-

The notes to the financial statements are an integral part of this statement.

Cialis Community Action
Committee, Inc.
Consolidated Statements of Activities
For the year ended March 31, 1998

	Board/Staff	Summer Child Care	Child and Adult Care Funding Program	Community Services/Block Grant	LUBA/L	Senior Services	Other Expenses	Total
Program expenses (continued)								
Materials	5,127	2,701	-	4,153	128	1,281	3,889	19,018
Commodities donated	-	-	-	-	-	-	31,263	31,263
Rent charges	-	-	-	-	-	-	188	188
Total functional expenses	5,127	2,701	-	4,153	128	1,281	3,980	19,457
Less: non program expenses								
Less on disposition of equipment	3,173,118	150,867	684,161	203,815	219,652	47,268	11,267	3,379,144
Depreciation	28,529	-	-	3,409	-	-	799	33,737
Included	11,458	-	-	-	-	-	-	11,458
Total functional expenses	4,951,124	150,867	684,161	207,224	219,652	47,268	12,076	3,395,081
Change in net assets	(118,199)	-	-	18,519	(499)	(688)	3,129	(108,647)
Net assets March 31, 1997 (as reported)	348,155	-	223,228	28,859	(87)	47,863	31,629	632,826
Net assets March 31, 1998	230,056	-	223,228	47,378	(136)	47,175	34,758	532,384

The notes to the financial statements are an integral part of this statement.