

**Webster Parish Office of Community Services
A Component Unit of the Webster Parish Police Jury
Minden, Louisiana**

**Basic Financial Statements
And Independent Auditor's Report
As of and for the Year Ended December 31, 2022**

Webster Parish Office of Community Services

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(Concluded)



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Independent Auditor's Report

Board Members
Webster Parish Office of Community Services
A Component Unit of Webster Parish Police Jury
Minden, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Webster Parish Office of Community Services, a component unit of the Webster Parish Police Jury, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Office of Community Services' basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Office of Community Services, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Office of Community Services and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 14 to the financial statements, the Office of Community Services adopted new accounting guidance, GASB Statement No. 87-*Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office of Community Services' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgement and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office of Community Services' internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office of Community Services' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules, and notes to the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance

on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Office of Community Services, a component unit of the Webster Parish Police Jury. The accompanying supplementary information, as listed in the table of contents, including the Financial Data Schedule as required by the United States Department of Housing and Urban Development and Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit requirements for Federal Awards is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information, as listed in the table of contents, including the Financial Data Schedule as required by the United States Department of Housing and Urban Development, and Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit requirements for Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2023 on our consideration of the Office of Community Services' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office of Community Services' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office of Community Services' internal control over financial reporting and compliance.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
June 30, 2023

Webster Parish Office of Community Services



REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion And Analysis (MD&A)

**Webster Parish Office of Community Services
Management's Discussion and Analysis (MD&A)
December 31, 2022**

Our discussion and analysis of Webster Parish Office of Community Services' financial performance provides an overview of the Office of Community Services' financial activities for the year ended December 31, 2022.

FINANCIAL HIGHLIGHTS Our financial statements provide these insights into the results of this year's operations for the governmental activities:

- The assets of the Office of Community Services governmental activities exceeded its liabilities at the close of 2022 by \$2,137,603. Of this amount, \$7,790 may be used to meet the ongoing obligations to citizens and creditors in accordance with the Office of Community Services' fund designation and fiscal policies.
- The Office of Community Services' net position of the governmental activities increased by \$241,567 as a result of this year's operations.
- The Office of Community Services' total general and program revenues for governmental activities were \$5,086,599 in 2022 which is an increase of \$12,620 over 2021.
- During the year ended December 31, 2022, the Office of Community Services had total expenses of \$4,845,032, which includes depreciation expense. Expenses for 2021 totaled \$4,587,005. Expenses increased in 2022 by \$258,027.

USING THIS ANNUAL REPORT The Office of Community Services' annual report consist of a series of financial statements that show information for the Office of Community Services as a whole, and its funds. The Statement of Net Position and the Statement of Activities provide information about the activities of the Office of Community Services as a whole and present a longer-term view of the Office of Community Services' finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term, as well as what remains for future spending. Fund statements also may give you some insights into the Office of Community Services' overall financial health. Fund financial statements also report the Office of Community Services' operations in more detail than the government-wide financial statements by providing information about the Office of Community Services' most significant funds - General fund, Head Start fund, Transportation fund, Food fund, CSBG fund, and LIHEAP Energy fund.

**Webster Parish Office of Community Services
Management's Discussion and Analysis (MD&A)
December 31, 2022**

Required Supplementary Information

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Government-wide
Financial Statements**



**Fund
Financial Statements**

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Schedule of Findings and Questioned Costs

**Webster Parish Office of Community Services
Management's Discussion and Analysis (MD&A)
December 31, 2022**

Our auditor has provided assurance in the independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the basic financial statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplementary Information (RSI) and the Supplementary Information. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each part of this report.

Reporting the Office of Community Services as a Whole

The Statement of Net Position and the Statement of Activities Our analysis of the Office of Community Services as a whole begins with the government-wide financial statements. One of the most important questions asked about the Office of Community Services is, "Is the Office of Community Services, as a whole, better off or worse off financially as a result of the year's activities?" The Statement of Net Position and the Statement of Activities, which appear first in the Office of Community Services' financial statements, report information on the Office of Community Services as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets, liabilities, and deferred inflows/outflows of resources, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Office of Community Services' net position - the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, as reported in the Statement of Net Position as one way to measure the Office of Community Services' financial health, or financial position. Over time, increases or decreases in the Office of Community Services' net position - as reported in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the Office of Community Services' operating results. However, the Office of Community Services' goal is to provide services to our citizens, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of health and welfare services provided to parish citizens.

In the Statement of Net Position and Statement of Activities, we divide the Office of Community Services into two kinds of activities:

Governmental activities - Most of the Office of Community Services' services are reported here, which are health and welfare services. Federal and state grants finance most of these activities.

Business-type activities - The Office of Community Services manages the Section 8 Housing Choice Voucher program and receives administrative fees for the activities.

Reporting the Office of Community Services' Most Significant Funds

Fund Financial Statements The Office of Community Services' fund financial statements provide detailed information about the most significant funds - not the Office of Community Services as a whole. Some funds are required to be established by state law and by grant terms. However, the Office of Community Services establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain grants and other money. The Office of Community Services' governmental funds use the following accounting approach:

Governmental funds - Most of the Office of Community Services' services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified

Webster Parish Office of Community Services
Management's Discussion and Analysis (MD&A)
December 31, 2022

accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Office of Community Services' operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Office of Community Services' programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliations on Statements D and F.

Proprietary funds - Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Office of Community Services' Section 8 enterprise fund (a component of proprietary funds) is the same as the business-type activities we report in the government-wide financial statements but provide more detail and additional information, such as cash flows, for proprietary funds.

THE OFFICE OF COMMUNITY SERVICES AS A WHOLE The Office of Community Services' governmental activities net position was \$2,137,603, at December 31, 2022. Of this amount, \$7,790 was unrestricted. Restricted net position is reported separately to show grant restrictions, legal restrictions, and enabling legislation that limits the Office of Community Services' ability to use that net position for day-to-day operations. Our analysis below of the Office of Community Services focuses on the net position (Table 1) and change in net position (Table 2) of the Office of Community Services' governmental activities and business-type activities.

Table 1
Net Position
December 31,

| | Governmental Activities | | Business-Type Activities | |
|------------------------------|--------------------------------|---------------------|---------------------------------|--------------------|
| | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> |
| Other assets | \$ 1,178,685 | \$ 958,816 | \$ 205,230 | \$ 180,448 |
| Capital assets | 1,774,892 | 1,686,710 | 23,538 | 26,172 |
| Total assets | <u>2,953,577</u> | <u>2,645,526</u> | <u>228,768</u> | <u>206,620</u> |
| Other liabilities | 382,499 | 322,243 | 3,595 | 4,098 |
| Long-term liabilities | 433,475 | 427,247 | 889 | 3,540 |
| Total liabilities | <u>815,974</u> | <u>749,490</u> | <u>4,484</u> | <u>7,638</u> |
| Net position | | | | |
| Investment in capital assets | 1,765,552 | 1,686,710 | 23,538 | 26,172 |
| Restricted | 364,261 | 342,455 | 5,440 | 16,351 |
| Unrestricted | 7,790 | (133,129) | 195,306 | 156,459 |
| Total net position | <u>\$ 2,137,603</u> | <u>\$ 1,896,036</u> | <u>\$ 224,284</u> | <u>\$ 198,982</u> |

The \$7,790 in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today including all of our noncapital liabilities (compensated absences, for example) we would have \$7,790 left.

The net position for governmental activities increased by \$241,567. Overall assets increased by \$308,051, which was largely attributed to recognizing an increase in accounts receivable owed to the Office of Community Services at the end of the year by over \$143,000. Also over \$46,000 in prepayments were recognized as prepaid assets for

**Webster Parish Office of Community Services
Management's Discussion and Analysis (MD&A)
December 31, 2022**

classroom supplies being held until classes start in January, 2023. Also, approximately \$19,000 was deposited on a 2 wheelchair bus that was not received at year end

The results of this year's operations for the Office of Community Services are reported in the Statement of Activities. Table 2 takes the information from that Statement and rearranges them slightly so you can see our total revenues for the year.

**Table 2
Changes in Net Position
For the Years Ended December 31,**

| | Governmental Activities | | | Business-type Activities | | |
|--------------------------------------|--------------------------------|--------------|--|---------------------------------|-------------|--|
| | | | Increase (Decrease) From 2021 | | | Increase (Decrease) From 2021 |
| Revenues: | 2022 | 2021 | | 2022 | 2021 | |
| Program revenues: | | | | | | |
| Charges for services | \$ 71,541 | \$ 114,062 | \$ (42,521) | \$ - | \$ - | \$ - |
| Operating grants & contributions | 4,863,145 | 4,876,303 | (13,158) | 723,348 | 788,022 | (64,674) |
| General revenues: | | | | | | |
| Other revenues | 151,913 | 83,614 | 68,299 | 13,795 | 11,112 | 2,683 |
| Total revenues | 5,086,599 | 5,073,979 | 12,620 | 737,143 | 799,134 | (61,991) |
| Functions/Program Expenses: | | | | | | |
| Health & welfare | 4,845,032 | 4,587,005 | 258,027 | 711,841 | 717,352 | (5,511) |
| Increase (decrease) in net position | 241,567 | 486,974 | (245,407) | 25,302 | 81,782 | (56,480) |
| Net Position - Beginning | 1,896,036 | 1,456,038 | 439,998 | 198,982 | 117,200 | 81,782 |
| Prior period adjustment | - | (46,976) | 46,976 | - | - | - |
| Net Position Beginning - as restated | 1,896,036 | 1,409,062 | 486,974 | 198,982 | 117,200 | 81,782 |
| Net Position - Ending | \$ 2,137,603 | \$ 1,896,036 | \$ 241,567 | \$ 224,284 | \$ 198,982 | \$ 25,302 |

THE OFFICE OF COMMUNITY SERVICES' FUNDS As we noted earlier, the Office of Community Services uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the Office of Community Services is being accountable for the resources state and federal agencies and others provide to it, but may also give you more insight into the Office of Community Services' overall financial health.

As the Office of Community Services completed this year, our governmental funds reported a combined fund balance of \$728,558 which is an increase of \$95,653 from last year. Some changes in fund balance are explained below:

Our General fund is our principal operating fund. The fund balance in the General fund increased by \$73,747 to \$364,297. The 2022 increase to the General fund balance is attributed largely to the transfer of fund balance from LIHEAP Energy Fund in 2022.

**Webster Parish Office of Community Services
Management's Discussion and Analysis (MD&A)
December 31, 2022**

The Head Start fund accounts for funds used for the purpose of providing young children, generally ages 3 to 5 in low income families, with services designed to meet the needs in various areas such as health, education, social services, etc. This fund does not normally have a fund balance. Total federal revenues recognized were higher by over \$155,000 in 2022 compared to prior year and total expenditures for Head Start were up by over \$121,000 compared to the prior year.

The Transportation fund accounts for funds used to provide transportation services to citizens within the parish. The fund balance in this fund increased \$55,038 to \$309,672. While the transportation fares and program revenues collected were down by over \$42,500 compared to amounts recognized in the prior year, expenditures were also down overall by \$39,200. There was a large decrease in expenditures related to gas, oil & repairs in 2022.

The Food Service program receives funds from CACFP to reimburse programs for meals provided to students enrolled in the Head Start Program and the Family Home Daycare program. The fund balance in the Family Home Daycare program increased \$31,054 while the fund balance in the Head Start program decreased \$(20,156). Total fund balance for these two funds increased \$10,898 to \$51,856. The fund balance for the Family Home Daycare program increased by \$31,054, as a result of the expenditures being comparable to the prior year and not exceeding the administration funding of \$158,906. Fund balance decreased in Head Start Food as result of expenditures not being reimbursed at year end.

The CSBG fund accounts for funds used to assist the Office of Community Services with operations. This fund does not normally have a fund balance.

The LIHEAP Energy fund accounts for funding received to assist families with energy costs. The fund balance in this fund decreased \$44,030, leaving an ending fund balance of \$0. Before 2019, LIHEAP Energy fund had reported a fund balance of approximately \$36,000. In 2019, the Office of Community Services incurred expenditures of over \$48,000 which eliminated the surplus. However, late in 2020, a request for reimbursement for the expenditures from 2019 was made resulting in a fund balance in 2020 of \$46,872. In subsequent years, 2020 and 2021, unreimbursed expenditures of \$2,842 were incurred reducing the fund balance to \$44,030. The Executive Director transferred this surplus to the General fund at the end of the year.

The Nonmajor Governmental funds are comprised of the other special revenue funds (Housing and Emergency Assistance). These funds have no activity for the fiscal year; therefore, fund balance remained \$2,733.

The Section 8 Voucher fund accounts for the activity for HUD's Section 8 Housing Choice Voucher program. The net position in this fund increased \$25,302 to \$224,284. While the federal funding was \$64,674 less than prior year revenues, the current year expenses did not exceed total revenues. Also, expenses only increased by approximately \$5,500 over last year.

FUND BUDGETARY HIGHLIGHTS Over the course of the year, the Office of Community Services revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the Office of Community Services' original and final budget amounts compared with amounts actually paid and received is provided later in this report).

General Fund There were no revisions made to the 2022 General fund original budget.

The final actual revenues exceeded budgeted by \$98,348 due to actual revenues including additional revenues from over \$30,800 in LWCC dividends, over \$28,500 in reimbursements for "Play with a Purpose", and \$16,695 funding from Webster Parish School Board for teacher incentives, which were not included in the original budget.

**Webster Parish Office of Community Services
Management's Discussion and Analysis (MD&A)
December 31, 2022**

The final actual expenditures exceeded the budget by \$70,743 due to the General fund incurring over \$19,000 in additional capital outlay costs and \$69,000 in training, incentives and professional services which were not included in the original budget for the General fund.

CAPITAL ASSETS

Capital Assets At December 31, 2022, the Office of Community Services' governmental activities had \$1,774,892 invested in a broad range of capital assets including buildings, furniture and equipment, and intangible assets such as software. This amount represents a net increase (including additions, deductions, and depreciation) of \$72,689, or 4% from last year. The business-type activities net capital assets decreased \$2,633 from the prior year.

| | Capital Assets December 31, | | | |
|---|--|---------------------|---------------------------------|------------------|
| | Governmental Activities | | Business-Type Activities | |
| | 2022 | 2021 | 2022 | 2021 |
| Construction in progress | \$ 42,681 | \$ - | \$ - | \$ - |
| Buildings and improvements | 1,524,090 | 1,401,270 | - | - |
| Furniture, equipment & vehicles | 2,172,300 | 2,147,557 | 34,467 | 34,212 |
| Leased assets | 15,493 | 15,493 | - | - |
| Intangibles | 18,160 | 18,160 | - | - |
| Total cost of capital net assets | 3,772,724 | 3,582,480 | 34,467 | 34,212 |
| Less: accumulated depreciation & amortization | (1,997,832) | (1,880,277) | (10,929) | (8,040) |
| Net capital assets | <u>\$ 1,774,892</u> | <u>\$ 1,702,203</u> | <u>\$ 23,538</u> | <u>\$ 26,172</u> |

Capital asset additions for 2022 included \$10,816 for playground equipment, \$12,747 for a telephone system, \$6,950 for a 5-ton HVAC unit to be used for Head Start, \$122,820 for a roof for a Head Start building, and \$25,267 for a 2022 vehicle for Head Start, and \$25,097 for sinks and tables to be used with Early Head Start. Construction in progress includes payments related to new playgrounds for all 5 Head Start centers that were not completed and placed in service at year end. See Note 6 of the Notes to the Financial Statements.

Long Term Debt At December 31, 2022 the Office of Community Services' governmental activities had \$433,475 in long term debt which included \$54,926 in compensated absences, \$9,340 lease liability, and \$369,209 claim payable for which represents disallowed costs from a 2012 monitoring review.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES Our appointed officials and citizens consider many factors when setting the Office of Community Services' 2023 year budget. The most important factor that affects the budget is the amount of approved federal grant funding. For our regular funding, for the year 2023, we budgeted little change in revenue and expenditures.

CONTACTING THE OFFICE OF COMMUNITY SERVICES' FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the Office of Community Services' finances and to show the Office of Community Services' accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Melinda Davidson, Executive Director, at Webster Parish Office of Community Services, P. O. Box 876, Minden, Louisiana, 71058-0876, telephone number 318-377-7022.

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements (GWFS)

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

STATEMENT OF NET POSITION
December 31, 2022

Statement A

| | GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTAL |
|--|------------------------------------|-------------------------------------|---------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 603,244 | \$ 200,444 | \$ 803,688 |
| Investments | 37,398 | 5,903 | 43,301 |
| Receivables, net | 471,616 | - | 471,616 |
| Internal balances | 1,117 | (1,117) | - |
| Prepaid items | 65,310 | - | 65,310 |
| Capital Assets: | | | |
| Land and construction in progress | 42,681 | - | 42,681 |
| Capital assets, net of depreciation and amortization | 1,732,211 | 23,538 | 1,755,749 |
| TOTAL ASSETS | 2,953,577 | 228,768 | 3,182,345 |
| LIABILITIES | | | |
| Accounts, salaries and other payables | 325,817 | 3,595 | 329,412 |
| Due to other governments | 50,836 | - | 50,836 |
| Unearned revenue | 5,846 | - | 5,846 |
| Long-term liabilities | | | |
| Due within one year | 8,653 | 889 | 9,542 |
| Due in more than one year | 424,822 | - | 424,822 |
| TOTAL LIABILITIES | 815,974 | 4,484 | 820,458 |
| NET POSITION | | | |
| Investment in capital assets | 1,765,552 | 23,538 | 1,789,090 |
| Restricted for grants | 364,261 | 5,440 | 369,701 |
| Unrestricted | 7,790 | 195,306 | 203,096 |
| TOTAL NET POSITION | \$ 2,137,603 | \$ 224,284 | \$ 2,361,887 |

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022

Statement B

| FUNCTIONS/PROGRAMS | EXPENSES | PROGRAM REVENUES | | NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION | | |
|----------------------------------|-----------------------|------------------|------------------------------|---|-----------------------------|---------------------|
| | | FOR SERVICES | OPERATING GRANTS AND S | GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTAL |
| Primary government | | | | | | |
| <i>Governmental Activities</i> | | | | | | |
| Health and Welfare | \$ (4,845,032) | \$ 71,541 | \$ 4,863,145 | \$ 89,654 | \$ - | \$ 89,654 |
| Total governmental activities | <u>(4,845,032)</u> | <u>71,541</u> | <u>4,863,145</u> | <u>89,654</u> | <u>-</u> | <u>89,654</u> |
| <i>Business-type activities</i> | | | | | | |
| Health and Welfare | <u>(711,841)</u> | <u>-</u> | <u>723,348</u> | <u>-</u> | <u>11,507</u> | <u>11,507</u> |
| Total | <u>\$ (5,556,873)</u> | <u>\$ 71,541</u> | <u>\$ 5,586,493</u> | <u>89,654</u> | <u>11,507</u> | <u>101,161</u> |
| General revenues: | | | | | | |
| Interest and investment earnings | | | | 731 | 120 | 851 |
| Miscellaneous | | | | 151,182 | 13,675 | 164,857 |
| Total general revenues | | | | <u>151,913</u> | <u>13,795</u> | <u>165,708</u> |
| Change in net position | | | | 241,567 | 25,302 | 266,869 |
| Net position - beginning | | | | <u>1,896,036</u> | <u>198,982</u> | <u>2,095,018</u> |
| Net position - ending | | | | <u>\$ 2,137,603</u> | <u>\$ 224,284</u> | <u>\$ 2,361,887</u> |

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Webster Parish Office of Community Services



BASIC FINANCIAL STATEMENTS

Fund Financial Statements (FFS)

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

GOVERNMENTAL FUNDS

Balance Sheet

December 31, 2022

| | <u>GENERAL</u> | <u>HEADSTART</u> | <u>TRANSPORTATION</u> |
|--|-------------------|-------------------|-----------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 282,303 | \$ 16,842 | \$ 276,631 |
| Investments | 37,398 | - | - |
| Receivables | 8,572 | 273,573 | 50,408 |
| Interfund receivables | 36,342 | - | - |
| | <u>364,615</u> | <u>290,415</u> | <u>327,039</u> |
| TOTAL ASSETS | <u>364,615</u> | <u>290,415</u> | <u>327,039</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts, salaries and other payables | 318 | 223,125 | 16,501 |
| Interfund payables | - | 8,651 | 719 |
| Payable to other governments | - | 50,836 | - |
| Unearned revenue | - | 5,846 | - |
| Accrued compensated absences | - | 1,957 | 147 |
| | <u>318</u> | <u>290,415</u> | <u>17,367</u> |
| TOTAL LIABILITIES | <u>318</u> | <u>290,415</u> | <u>17,367</u> |
| Fund balances: | | | |
| Restricted | - | - | 309,672 |
| Unassigned | 364,297 | - | - |
| | <u>364,297</u> | <u>-</u> | <u>309,672</u> |
| TOTAL FUND BALANCES | <u>364,297</u> | <u>-</u> | <u>309,672</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 364,615</u> | <u>\$ 290,415</u> | <u>\$ 327,039</u> |

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement C

| FOOD | CSBG | LIHEAP ENERGY | NONMAJOR GOVERNMENTAL | TOTAL |
|-------------------|------------------|--------------------------|----------------------------------|---------------------|
| \$ 23,452 | \$ - | \$ - | \$ 4,016 | \$ 603,244 |
| - | - | - | - | 37,398 |
| 107,462 | 19,437 | 12,164 | - | 471,616 |
| - | - | - | - | 36,342 |
| <u>130,914</u> | <u>19,437</u> | <u>12,164</u> | <u>4,016</u> | <u>1,148,600</u> |
| 76,633 | 6,247 | 2,993 | - | 325,817 |
| 2,425 | 13,043 | 9,104 | 1,283 | 35,225 |
| - | - | - | - | 50,836 |
| - | - | - | - | 5,846 |
| - | 147 | 67 | - | 2,318 |
| <u>79,058</u> | <u>19,437</u> | <u>12,164</u> | <u>1,283</u> | <u>420,042</u> |
| 51,856 | - | - | 2,733 | 364,261 |
| - | - | - | - | 364,297 |
| <u>51,856</u> | <u>-</u> | <u>-</u> | <u>2,733</u> | <u>728,558</u> |
| <u>\$ 130,914</u> | <u>\$ 19,437</u> | <u>\$ 12,164</u> | <u>\$ 4,016</u> | <u>\$ 1,148,600</u> |

Webster Parish Office of Community Services



WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position December 31, 2022

Statement D

| | | |
|--|----|---------|
| Total fund balances - governmental funds | \$ | 728,558 |
|--|----|---------|

The cost of capital assets (construction in progress, land, buildings, furniture and equipment, and intangibles) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the Office of Community Services as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

| | | | |
|--------------------------|----|--------------------|-----------|
| Costs of capital assets | \$ | 3,772,724 | |
| Accumulated depreciation | | <u>(1,997,832)</u> | 1,774,892 |

| | | |
|---|--|--------|
| Prepaid items include purchases of capital assets not yet placed in service | | 65,310 |
|---|--|--------|

Long-term liabilities applicable to the Office of Community Service's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Position.

Balances at December 31, 2022 are:

| | | |
|------------------------------|--|----------------|
| Long-term liabilities | | |
| Compensated absences payable | | (52,608) |
| Claims payable | | (369,209) |
| Leases payable | | <u>(9,340)</u> |

| | | |
|---|----|------------------|
| Net position of governmental activities | \$ | <u>2,137,603</u> |
|---|----|------------------|

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2022**

| | <u>GENERAL</u> | <u>HEADSTART</u> | <u>TRANSPORTATION</u> |
|---|-------------------|------------------|-----------------------|
| REVENUES | | | |
| Local Sources: | | | |
| Interest and investment earnings | \$ 731 | \$ - | \$ - |
| Other revenue | 142,617 | 4,791 | 71,541 |
| Federal Sources | <u>-</u> | <u>2,656,086</u> | <u>390,989</u> |
| TOTAL REVENUES | <u>143,348</u> | <u>2,660,877</u> | <u>462,530</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Health and welfare: | | | |
| Personnel | - | 1,633,675 | 235,122 |
| Gas, oil & repairs | 7,530 | 27,553 | 45,418 |
| Office expense | 9,777 | 533,470 | 18,929 |
| Insurance | 3,155 | 54,420 | 59,450 |
| Utilities | 158 | 148,314 | 14,793 |
| Service providers | - | - | - |
| Food services | - | 21,687 | - |
| Other | 74,515 | 201,546 | 33,123 |
| Capital outlay | 20,608 | 34,756 | - |
| Debt service | | | |
| Interest | - | 349 | 42 |
| Principal | <u>-</u> | <u>5,107</u> | <u>615</u> |
| TOTAL EXPENDITURES | <u>115,743</u> | <u>2,660,877</u> | <u>407,492</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>27,605</u> | <u>-</u> | <u>55,038</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 46,142 | - | - |
| Transfers out | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>46,142</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | 73,747 | - | 55,038 |
| FUND BALANCES BEGINNING | <u>290,550</u> | <u>-</u> | <u>254,634</u> |
| FUND BALANCES - ENDING | <u>\$ 364,297</u> | <u>\$ -</u> | <u>\$ 309,672</u> |

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement E

| FOOD | CSBG | LIHEAP ENERGY | NONMAJOR GOVERNMENTAL | TOTAL |
|-------------|-------------|--------------------------|----------------------------------|--------------|
| \$ - | \$ - | \$ - | \$ - | \$ 731 |
| 3,774 | - | - | - | 222,723 |
| 1,037,776 | 150,564 | 627,730 | - | 4,863,145 |
| 1,041,550 | 150,564 | 627,730 | - | 5,086,599 |
| 191,494 | 137,094 | 52,194 | - | 2,249,579 |
| 120 | - | 316 | - | 80,937 |
| 13,686 | 1,104 | 5,966 | - | 582,932 |
| 1,267 | - | 861 | - | 119,153 |
| 740 | 2,867 | 686 | - | 167,558 |
| 677,398 | - | 519,613 | - | 1,197,011 |
| 126,736 | - | - | - | 148,423 |
| 18,974 | 9,499 | 45,890 | - | 383,547 |
| - | - | - | - | 55,364 |
| 13 | - | 8 | - | 412 |
| 185 | - | 123 | - | 6,030 |
| 1,030,613 | 150,564 | 625,657 | - | 4,990,946 |
| 10,937 | - | 2,073 | - | 95,653 |
| - | - | - | - | 46,142 |
| (39) | - | (46,103) | - | (46,142) |
| (39) | - | (46,103) | - | - |
| 10,898 | - | (44,030) | - | 95,653 |
| 40,958 | - | 44,030 | 2,733 | 632,905 |
| \$ 51,856 | \$ - | \$ - | \$ 2,733 | \$ 728,558 |

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended December 31, 2022**

Statement F

| | | |
|--|----|--------|
| Net change in fund balances - total governmental funds | \$ | 95,653 |
|--|----|--------|

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the period:

| | | | |
|----------------------|----|------------------|--------|
| Capital outlay | \$ | 258,544 | |
| Depreciation expense | | <u>(185,855)</u> | 72,689 |

The issuance of long term debt provides current financial resources of governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position

| | | |
|------------------------------|--|-------|
| Repayment of lease liability | | 6,153 |
|------------------------------|--|-------|

In the Statement of Activities, certain expenses for capital outlay for capital items not placed in service at the end of the year were recorded as prepaid items

65,310

In the Statement of Activities, certain operating expenses-compensated absences (vacation and comp time) and claims payable - are measured by the amounts earned during the year. In the governmental funds however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and comp time used was more than the amounts earned.

| | | |
|------------------------|--|--------------|
| Vacation and comp time | | <u>1,762</u> |
|------------------------|--|--------------|

Change in net position of governmental activities

| | | |
|--|----|----------------|
| | \$ | <u>241,567</u> |
|--|----|----------------|

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

PROPRIETARY FUND TYPE- ENTERPRISE FUND

Statement of Net Position

December 31, 2022

| | Statement G |
|---|--------------------------|
| | SECTION 8 |
| | VOUCHER |
| ASSETS | |
| Current assets: | |
| Cash and cash equivalents | \$ 200,444 |
| Investments | 5,903 |
| Accounts receivable, net | - |
| Total current assets | <u>206,347</u> |
| Non-current assets: | |
| Capital assets, net of accumulated depreciation | <u>23,538</u> |
| TOTAL ASSETS | <u><u>229,885</u></u> |
| LIABILITIES | |
| Current Liabilities: | |
| Accounts, salaries and other payables | 3,595 |
| Interfund payables | 1,117 |
| Compensated absences | 889 |
| Total current liabilities | <u>5,601</u> |
| NET POSITION | |
| Investment in capital assets | 23,538 |
| Restricted for HAP | 5,440 |
| Unrestricted | <u>195,306</u> |
| TOTAL NET POSITION | <u><u>\$ 224,284</u></u> |

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

PROPRIETARY FUND TYPE- ENTERPRISE FUND

**Statement of Revenues, Expenses,
and Changes in Fund Net Position
For the Year Ended December 31, 2022**

Statement H

**SECTION 8
VOUCHER**

| | |
|-----------------------------------|--------------------------|
| OPERATING REVENUES | |
| Federal grants | \$ 723,348 |
| Other income | <u>13,675</u> |
| TOTAL OPERATING REVENUES | <u>737,023</u> |
| OPERATING EXPENSES | |
| Administration | 83,833 |
| Utilities | 915 |
| General | 5,670 |
| Depreciation | 2,888 |
| Housing assistance payments | <u>618,535</u> |
| TOTAL OPERATING EXPENSES | <u>711,841</u> |
| OPERATING INCOME (LOSS) | 25,182 |
| NON-OPERATING REVENUES | |
| Interest income | <u>120</u> |
| TOTAL NON-OPERATING REVENUES | <u>120</u> |
| CHANGE IN NET POSITION | 25,302 |
| NET POSITION AT BEGINNING OF YEAR | <u>198,982</u> |
| NET POSITION AT END OF YEAR | <u><u>\$ 224,284</u></u> |

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

PROPRIETARY FUND TYPE - ENTERPRISE FUND

Statement of Cash Flows

For the Year Ended December 31, 2022

Statement I

**SECTION 8
VOUCHER**

| | |
|--|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Payments to vendors | \$ (30,111) |
| Payments to employees | (63,382) |
| Payments to private landlords and others | (618,535) |
| Federal grants | 723,348 |
| Other receipts | 13,845 |
| | <hr/> |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | 25,165 |
| | <hr/> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | |
| Purchase of capital assets | (254) |
| | <hr/> |
| NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES | (254) |
| | <hr/> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest | 120 |
| | <hr/> |
| NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES | 120 |
| | <hr/> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 25,031 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 175,413 |
| | <hr/> |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | <u><u>\$ 200,444</u></u> |
| | |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET | |
| CASH PROVIDED (USED) BY OPERATING ACTIVITIES | |
| Operating income (loss) | \$ 25,182 |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: | |
| Depreciation expense | 2,888 |
| Change in assets and liabilities: | |
| Accounts receivable | 170 |
| Compensated absences | (2,651) |
| Accounts, salaries and other payables | (503) |
| Interfunds | 79 |
| | <hr/> |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | <u><u>\$ 25,165</u></u> |

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Webster Parish Office of Community Services
Notes to the Financial Statements
December 31, 2022

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Webster Parish Office of Community Services
Notes to the Financial Statements
December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of Webster Parish Office of Community Services have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting financial reporting principles.

A. REPORTING ENTITY Webster Parish Office of Community Services was established by the Webster Parish Police Jury under the provisions of LSA-R.S. 23:63 to operate state and federally funded programs to assist low-income members of the community in obtaining adequate employment, education and housing, meeting certain medical needs, and obtaining proper assistance to satisfy other needs of low-income families that arise within the community.

As the governing authority of the parish, for reporting purposes, the Webster Parish Police Jury is the financial reporting entity for Webster Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statement to be misleading or incomplete.

GASB Statements establish criteria for determining the governmental reporting entity and component units that should be considered part of the Webster Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations that are fiscally dependent on the police jury and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Police Jury appoints members to Webster Parish Office of Community Services' Board and the Office of Community Services is financially accountable to the Police Jury, Webster Parish Office of Community Services was determined to be a component unit of the Webster Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Office of Community Services and do not present information on the Police Jury, the governmental services provided by that governmental unit, or the governmental units that comprise the financial reporting entity.

B. FUNDS The accounts of the Office of Community Services are organized and operated on the basis of funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Governmental Funds The governmental funds are divided into separate "fund types." Governmental funds are used to account for the government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. The major governmental funds of the Office of Community Services are described as follows:

Webster Parish Office of Community Services
Notes to the Financial Statements
December 31, 2022

General fund – This fund is the general operating fund of the Office of Community Services. It accounts for all activities except those required to be accounted for in other funds.

Headstart – This fund accounts for grant funding received for the purpose of providing young children, generally ages 3 to 5, in low-income families with services designed to meet their needs in various areas such as health, education, social services, etc.

Transportation – This fund accounts for the grant funding received and the operations of the transportation program that provides affordable transportation to the residents within the parish.

Food – This fund accounts for the operations of the programs providing meal reimbursements to eligible institutions that serve meals to students at various locations within the parish.

CSBG – This fund accounts for grant funding received through Community Development Block Grants to assist the Office of Community Services with operations.

LIHEAP Energy – This fund accounts for the funding received through the Louisiana Housing Corporation for the Low Income Home Energy Assistance Program which helps keep families safe and healthy through initiatives that assist families with energy costs.

Proprietary Funds The proprietary fund accounts for activities similar to those found in the private sector where the determination of net income is necessary or useful to sound financial administration. The proprietary fund differs from a governmental fund in that its focus is on income measurement which, together with the maintenance of equity, is an important financial indicator.

Section 8 Voucher – This fund accounts for the activity for HUD's Section 8 Housing Choice Voucher program. The purpose is to assist low-income families in obtaining affordable housing.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities, and deferred inflows/outflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, liabilities, and deferred inflow/outflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Fiduciary activities are not included in the Government-Wide Financial Statements.

Program revenues Program revenues included in the Statement of Activities include charges for services provided and operating grants and contributions; program revenues reduce the cost of the function to be financed from the Office of Community Services' general revenues.

Allocation of indirect expenses The Office of Community Services reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function.

Webster Parish Office of Community Services
Notes to the Financial Statements
December 31, 2022

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

With this measurement focus, only current assets, current liabilities, and current deferred outflows and inflows of resources are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Federal and state grants are recognized when the Office of Community Services is entitled to the funds.

Interest income on investments is recorded when earned and the income is available.

Substantially all other revenues are recorded when they become available to the Office of Community Services.

Expenditures Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on long-term obligations, which are recognized when due.

Other Financing Sources (Uses) Sale of capital assets, increases in capital lease purchases, and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

Proprietary Funds

Operating Revenues and Expenses Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations, which is providing affordable housing. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. ENCUMBRANCES Outstanding encumbrances lapse at year-end. Authorization for the eventual expenditure will be included in the following year's budget appropriations. Encumbrance accounting is not employed in governmental funds.

Encumbrance accounting (e.g., purchase orders, contracts) is not recognized within the accounting records for budgetary control purposes.

Webster Parish Office of Community Services
Notes to the Financial Statements
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E. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits, petty cash, interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Office of Community Services may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state in the United States or under the laws of the United States. For purposes of the Proprietary Fund Statement of Cash Flows, the Office of Community Services considers all investments with a maturity of three months or less when purchased to be cash equivalents.

F. INVESTMENTS Investments are limited by R.S. 33:2955 and the Office of Community Services' investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The Office of Community Services reports at amortized cost money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

The Office of Community Services participates in the Louisiana Asset Management Pool, Inc., (LAMP) which is an external investment pool that, to the extent practical invest in a manner consistent with GASB Statement 79, *Certain External Investment Pools and Pool Participants*.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955. LAMP issues financial reports which may be obtained at www.lamppool.com.

Investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES (FFS) During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as interfund receivables/payables on the balance sheet. Short-term interfund loans are also classified as interfund receivables/payables.

Webster Parish Office of Community Services
Notes to the Financial Statements
December 31, 2022

H. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the Statement of Net Position and the Statement of Activities some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

I. INVENTORY AND PREPAID ITEMS Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. All inventory items are valued at cost using first-in, first-out method. Inventory is recorded using the consumption method.

J. CAPITAL ASSETS Capital assets for the Office of Community Services purchased or acquired with an original cost of \$500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at their acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Straight line depreciation is used based on the following estimated useful lives:

| | |
|-------------------------|-------------|
| Buildings | 20-40 years |
| Furniture and equipment | 5-10 years |
| Vehicles | 5-15 years |
| Intangibles-software | 5 years |
| Intangibles-other | 5 years |

K. COMPENSATED ABSENCES All full-time employees earn 80 to 160 hours of vacation each year, depending on length of service. Employees can accumulate up to 240 hours of unused vacation time. Upon termination or retirement, an employee is compensated for up to 240 hours of previous years’ accumulated annual leave.

All full-time employees earn 4 hours of sick leave every two weeks, effective from date of employment. Other employees considered less than full-time receive 40 hours of sick leave per year. Upon termination or retirement, accrued sick leave is excluded from paid benefits.

All professional staff members are entitled to earn compensatory time for overtime worked. Employees can accumulate up to 80 hours of unused compensatory time. Upon termination or retirement, an employee is compensated for accumulated compensatory time.

The Office of Community Services’ recognition and measurement criterion for compensated absences follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

The employees' right to receive compensation is attributable to services already rendered.

It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

L. RESTRICTED NET POSITION For the government-wide Statement of Net Position, net position is reported as restricted when constraints placed on net position use are either:

Webster Parish Office of Community Services
Notes to the Financial Statements
December 31, 2022

- Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;
- Imposed by law through constitutional provisions or enabling legislation.

It is the Office of Community Services' policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

M. FUND EQUITY OF FUND FINANCIAL STATEMENTS Fund balances are reported in the following categories:

Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.

Restricted: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed: Fund balance that can only be used for specific purposes determined by the Office of Community Services' highest level of decision making authority. The Board is the highest level of decision making authority of the Office of Community Services that can, by adoption of a resolution prior to fiscal year end, commit fund balance. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds.

Assigned: Fund balance that is constrained by the Board's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the Board.

Unassigned: Fund balance that is the residual classification for the General fund or a deficit fund balance in other funds.

The Office of Community Services reduces committed amounts, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The Office of Community Services considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available.

N. INTERFUND TRANSACTIONS Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

O. UNEARNED REVENUE Unearned revenues arise when assets are recognized before the revenue recognition criteria have been satisfied.

P. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date

Webster Parish Office of Community Services
Notes to the Financial Statements
December 31, 2022

of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP AND ACCOUNTABILITY

Actual Expenditures Exceeding Budgeted Expenditures For the fiscal year ending December 31, 2022 the following funds reported actual expenditures that exceeded budgeted expenditures:

| | <u>Final Budget</u> | <u>Actual</u> | <u>Unfavorable Variance</u> |
|-----------|---------------------|---------------|---------------------------------|
| General | \$ 45,000 | \$ 115,743 | \$ (70,743) |
| Headstart | 2,514,571 | 2,660,877 | (146,306) |

Budget overruns were the result of unanticipated expenditures in the last month of the fiscal year.

NOTE 3 - DEPOSITS Deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial Credit Risk-Deposits: At year-end the Office of Community Services' carrying amount of deposits was \$803,688 and the bank balance was \$849,042. Of the bank balance, \$250,000 was covered by federal deposit insurance. The remaining balance was collateralized with securities held by the pledging financial institution's trust department or agent but not in the Office of Community Services' name. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Office of Community Services that the fiscal agent has failed to pay deposited funds upon demand. The Office of Community Services' policy does not address custodial credit risk.

Interest Rate Risk-Deposits: The Office of Community Services' policy does not address interest rate risk.

NOTE 4 - INVESTMENTS Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the Statement of Net Position at the end of each reporting period. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At year end, the Office of Community Services investment balances were as follows:

| <u>Type of Investment</u> | <u>Level 2</u> |
|--|----------------|
| Louisiana Asset Management Pool (LAMP) | \$ 43,301 |

Investments held at December 31, 2022 consist of \$43,301 in the Louisiana Asset Management Pool (LAMP). LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

Credit Risk: LAMP is rated AAAM by Standard and Poor's.

Webster Parish Office of Community Services
Notes to the Financial Statements
December 31, 2022

Custodial Credit Risk-Investments: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of Credit Risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest Rate Risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 52 as of December 31, 2022.

Foreign Currency Risk: Not applicable.

NOTE 5 - RECEIVABLES The following is a summary of receivables at December 31, 2022:

| Class of Receivables | Governmental Activities | | | | | | Total |
|----------------------|-------------------------|-------------------|------------------|-------------------|------------------|------------------|-------------------|
| | General | Headstart | Transportation | Food | CSBG | LIHEAP Energy | |
| Grants | \$ - | \$ 270,267 | \$ 50,354 | \$ 107,423 | \$ 19,437 | \$ 12,164 | \$ 459,645 |
| Other | 8,572 | 3,306 | 54 | 39 | - | - | 11,971 |
| Total | <u>\$ 8,572</u> | <u>\$ 273,573</u> | <u>\$ 50,408</u> | <u>\$ 107,462</u> | <u>\$ 19,437</u> | <u>\$ 12,164</u> | <u>\$ 471,616</u> |

The balance of accounts receivable is expected to be collected in full for all governmental funds so no allowance for doubtful accounts has been established. In the Section 8 program, the allowance for doubtful accounts is \$5,733.

NOTE 6 - CAPITAL ASSETS The following schedule presents changes in capital assets for governmental activities:

| | Balance Beginning | Additions | Deletions | Balance Ending |
|---|----------------------|------------------|---------------|---------------------|
| Capital assets not depreciated | | | | |
| Construction in progress | \$ - | \$ 42,681 | \$ - | \$ 42,681 |
| Capital assets, being depreciated: | | | | |
| Buildings and improvements | 1,401,270 | 122,820 | - | 1,524,090 |
| Furniture, equipment and vehicles | 2,147,557 | 93,043 | 68,300 | 2,172,300 |
| Leased assets | 15,493 | - | - | 15,493 |
| Intangibles | 18,160 | - | - | 18,160 |
| Total | <u>3,582,480</u> | <u>258,544</u> | <u>68,300</u> | <u>3,772,724</u> |
| Less accumulated depreciation and amortization: | | | | |
| Buildings and improvements | 527,412 | 45,692 | - | 573,104 |
| Furniture, equipment and vehicles | 1,334,705 | 133,748 | 68,300 | 1,400,153 |
| Leased assets | - | 6,415 | - | 6,415 |
| Amortization | 18,160 | - | - | 18,160 |
| Total | <u>1,880,277</u> | <u>185,855</u> | <u>68,300</u> | <u>1,997,832</u> |
| Governmental Activities, capital assets net | <u>\$ 1,702,203</u> | <u>\$ 72,689</u> | <u>\$ -</u> | <u>\$ 1,774,892</u> |

Webster Parish Office of Community Services
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The beginning balance of leased assets was increased by \$15,493 due to implementation of GASB 87, Leases. Depreciation and amortization expense of \$185,855 was charged to the health and welfare function.

The following schedule presents changes in capital assets for the business-type activities:

| | Balance Beginning | Additions | Deletions | Balance Ending |
|---|----------------------|-------------------|-------------|-------------------|
| Capital assets, being depreciated: | | | | |
| Furniture, equipment and vehicles | \$ 34,212 | \$ 255 | \$ - | \$ 34,467 |
| Total | <u>34,212</u> | <u>255</u> | <u>-</u> | <u>34,467</u> |
| Less accumulated depreciation and amortization: | | | | |
| Furniture, equipment and vehicles | 8,041 | 2,888 | - | 10,929 |
| Total | <u>8,041</u> | <u>2,888</u> | <u>-</u> | <u>10,929</u> |
| Business-type activities, capital assets net | <u>\$ 26,171</u> | <u>\$ (2,633)</u> | <u>\$ -</u> | <u>\$ 23,538</u> |

Depreciation expense of \$2,888 was charged to the health and welfare function.

NOTE 7 - RETIREMENT SYSTEMS

The Office of Community Services has an agreement with Mutual of America to participate in a 401(k) defined contribution plan. The plan was approved by the Board and any changes to the plan must be approved by the Board.

The Office of Community Services acts as the plan administrator and establishes separate accounts for each employee. An employee who wishes to participate in the plan will complete an application which is forwarded to the plan trustee for review and approval of the percentages and types of investment options chosen. All participants in the plan may elect to make salary reduction contributions. The employee can decide the percentage of deductions and type(s) of investments but no less than 1% of their salary may be chosen for salary reduction. Included in the options for employees is the option to participate in a Roth account. There is also a catch-up option for those employees who wish to have a larger portion deducted from their salaries. The employer (plan administrator) contributes 4% of the employee's salary per year.

All employees are eligible to participate in the 401(k) plan on the first day of employment. Vesting rules of employees under the plan are as follows:

Employees will be 100% vested under any of the following circumstances:

1. The retirement age is reached, which is the date of attainment of age 60.
2. Death occurs during employment.
3. Total and permanent disability occurs during employment.

If termination of employment occurs for any reason other than retirement, death, or total and permanent disability, the percentage of vesting is determined as follows:

| <u>Year of Service</u> | <u>Percentage of Vesting</u> |
|------------------------|------------------------------|
| Less than 2 | 0% |
| 2 but less than 3 | 20% |
| 3 but less than 4 | 40% |

Webster Parish Office of Community Services
Notes to the Financial Statements
December 31, 2022

| | |
|-------------------|------|
| 4 but less than 5 | 60% |
| 5 but less than 6 | 80% |
| 6 or more | 100% |

Any non-vested amounts are forfeited and used to pay any charges incurred in connection with the termination of employment of the participant whose account was forfeited. Additionally, the employer can elect to use forfeitures to restore the forfeited portion of participants' accounts in the case of re-employment. At December 31, 2022, there were no forfeited non-vested accounts.

The employer contributions by the Office of Community Services for the year ended December 31, 2022 were \$58,642. No employee contributions were made under the retirement plan for fiscal year ended December 31, 2022. The employer has no accounts payable to the retirement plan at December 31, 2022.

NOTE 8 - LONG-TERM LIABILITIES The following is a summary of the long-term liabilities transactions and balances for the year ended December 31, 2022:

Governmental Activities:

| | Compensated Absences | Claims Payable | Lease Liability | Total |
|----------------------------|-------------------------|----------------|-----------------|------------|
| Balance, Beginning | \$ 58,038 | \$ 369,209 | \$ 15,493 | \$ 442,740 |
| Additions | 67,564 | - | - | 67,564 |
| Deletions | 70,676 | - | 6,153 | 76,829 |
| Balance, Ending | 54,926 | 369,209 | 9,340 | 433,475 |
| Amount due within one year | \$ 2,318 | \$ - | \$ 6,335 | \$ 8,653 |

The beginning balance of lease liability was increased \$15,493 due to the implementation of GASB 87, Leases. The compensated absences liability attributable to the governmental activities will be liquidated by the fund in which the salary is paid. Compensated absences primarily have been paid from the General fund, Headstart fund, Transportation fund, and Food fund. See Note 11 for additional information regarding claims payable.

The lease liability is due as follows:

| | Principal | Interest | Total |
|-------|-----------|----------|----------|
| 2023 | \$ 6,335 | \$ 238 | \$ 6,573 |
| 2024 | 3,005 | 47 | 3,052 |
| Total | \$ 9,340 | \$ 285 | \$ 9,625 |

The lease liability will be liquidated by the Food, LIHEAP, Headstart, and Transportation funds.

Business-Type Activities:

| | Compensated Absences |
|----------------------------|-------------------------|
| Balance, Beginning | \$ 3,540 |
| Additions | 1,913 |
| Deletions | 4,564 |
| Balance, Ending | 889 |
| Amount due within one year | \$ 889 |

Webster Parish Office of Community Services
Notes to the Financial Statements
December 31, 2022

NOTE 9 - INTERFUND TRANSACTIONS (FFS LEVEL ONLY)

Interfund Receivable/Payables:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|-----------------------|------------------|
| General fund | Headstart | \$ 8,651 |
| | Transportation | 719 |
| | Food | 2,425 |
| | CSBG | 13,043 |
| | LIHEAP Energy | 9,104 |
| | Nonmajor Governmental | 1,283 |
| | Section 8 | 1,117 |
| | | <u>\$ 36,342</u> |

The purpose of the interfund receivable/payables is to cover expenditures on cost-reimbursement programs until reimbursements are received.

Interfund transfers:

| <u>Transfer In</u> | <u>Transfer Out</u> | |
|--------------------|---------------------|------------------|
| General fund | LIHEAP | \$ 46,103 |
| General fund | Food | 39 |
| | | <u>\$ 46,142</u> |

Transfers are used to move revenues from the fund that statute or budget require to collect them to the fund that statute of budget require to expend them.

NOTE 10 - ACCOUNTS, SALARIES AND OTHER PAYABLES The payables at December 31, 2022, are as follows:

| | <u>Governmental Activities</u> | | | | | | <u>Business- Type Activities</u> | |
|----------|--------------------------------|-------------------|-----------------------|------------------|-----------------|--------------------------|--|-------------------|
| | <u>General</u> | <u>Headstart</u> | <u>Transportation</u> | <u>Food</u> | <u>CSBG</u> | <u>LIHEAP Energy</u> | <u>Section 8 Voucher</u> | <u>Total</u> |
| Salaries | \$ - | \$ 59,438 | \$ 4,971 | \$ 8,747 | \$ 4,818 | \$ 1,595 | \$ 1,180 | \$ 80,749 |
| Accounts | 318 | 163,687 | 11,530 | 67,886 | 1,429 | 1,398 | 2,415 | 248,663 |
| Total | <u>\$ 318</u> | <u>\$ 223,125</u> | <u>\$ 16,501</u> | <u>\$ 76,633</u> | <u>\$ 6,247</u> | <u>\$ 2,993</u> | <u>\$ 3,595</u> | <u>\$ 329,412</u> |

NOTE 11 - LITIGATION AND CLAIMS

Litigation Per legal counsel, the Office of Community Services was not involved in any litigation at December 31, 2022.

Grant Disallowances The Office of Community Services participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grant.

Webster Parish Office of Community Services
Notes to the Financial Statements
December 31, 2022

Headstart Program Disallowance The Department of Health and Human Services' (HHS), Administration for Children and Families conducted a monitoring review of the 2012 Headstart program year. The monitoring reported findings resulting in disallowed costs by the Office of Community Services in the amount of \$369,209 which is reported as a liability due in more than one year on the Statement of Net Position. No more interest is accruing as the Office of Community Services is currently negotiating the interest rate with the Department of Health and Human Services.

NOTE 12 - RISK MANAGEMENT The Office of Community Services is exposed to various risk related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Office of Community Services carries commercial insurance to manage these risks. In the past, the insurance has been sufficient to cover any settlements. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three years.

NOTE 13 - FUND BALANCE CLASSIFICATION DETAILS The following are details of the fund balance classifications:

| | <u>General Fund</u> | <u>Transportation</u> | <u>Food</u> | <u>LIHEAP Energy</u> | <u>Nonmajor Governmental</u> | <u>Total</u> |
|-----------------|---------------------|-----------------------|------------------|--------------------------|----------------------------------|-------------------|
| Restricted for: | | | | | | |
| Grants | \$ - | \$ 309,672 | \$ 51,856 | \$ - | \$ 2,733 | \$ 364,261 |
| Unassigned: | <u>364,297</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>364,297</u> |
| Total | <u>\$ 364,297</u> | <u>\$ 309,672</u> | <u>\$ 51,856</u> | <u>\$ -</u> | <u>\$ 2,733</u> | <u>\$ 728,558</u> |

NOTE 14 – NEW GASB STANDARDS In the current fiscal year the Office of Community Services implemented GASB Statement No. 87 – Leases. The principal objective of this statement is to improve accounting and financial reporting for leases by governments. It increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The impact to Office of Community Services resulted in an increase in the beginning balance of capital assets and lease liabilities of \$15,493. The restatement had no effect on beginning net position.

REQUIRED SUPPLEMENTARY INFORMATION

Webster Parish Office of Community Services

Budgetary Comparison Schedules

General Fund and Any Major Special Revenue Funds With a Legally Adopted Annual Budget

GENERAL FUND - This fund is the general operating fund of the Office of Community Services. It accounts for all activities except those required to be accounted for in other funds.

HEADSTART - This fund accounts for grant funding received for the purpose of providing young children, generally ages 3 to 5, in low-income families with services designed to meet their needs in various areas such as health, education, social services, etc.

TRANSPORTATION - This fund accounts for the grant funding received for the operations of the transportation program that provides affordable transportation to the residents within the parish.

FOOD - This fund accounts for the operations of the programs providing meal reimbursements to eligible institutions that serve meals to students at various locations within the parish.

CSBG - This fund accounts for grant funding received through Community Development Block Grants to assist the Office of Community Services with operations.

LIHEAP ENERGY - This fund accounts for the funding received through the Louisiana Housing Corporation for the Low Income Home Energy Assistance Program which helps keep families safe and healthy through initiatives that assist families with energy costs.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended December 31, 2022**

Exhibit 1-1

| | BUDGETARY AMOUNTS | | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE) |
|--|--------------------------|--------------|---------------------------|---|
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Local Sources: | | | | |
| Interest and investment earnings | \$ - | \$ - | \$ 731 | \$ 731 |
| Other revenue | 45,000 | 45,000 | 142,617 | 97,617 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL REVENUES | 45,000 | 45,000 | 143,348 | 98,348 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Health and welfare: | | | | |
| Gas, oil & repairs | 600 | 600 | 7,530 | (6,930) |
| Office expense | 9,800 | 9,800 | 9,777 | 23 |
| Insurance | - | - | 3,155 | (3,155) |
| Utilities | - | - | 158 | (158) |
| Other | 5,400 | 5,400 | 74,515 | (69,115) |
| Capital outlay | 1,200 | 1,200 | 20,608 | (19,408) |
| Debt service - Interest | 28,000 | 28,000 | - | 28,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL EXPENDITURES | 45,000 | 45,000 | 115,743 | (70,743) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | - | 27,605 | 27,605 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | 46,142 | 46,142 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| NET CHANGE IN FUND BALANCES | - | - | 73,747 | 73,747 |
| FUND BALANCES - BEGINNING | 290,550 | 290,550 | 290,550 | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| FUND BALANCES - ENDING | \$ 290,550 | \$ 290,550 | \$ 364,297 | \$ 73,747 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

See accompanying notes to budgetary comparison schedules.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

HEADSTART
Budgetary Comparison Schedule
For the Year Ended December 31, 2022

Exhibit 1-2

| | BUDGETARY AMOUNTS | | ACTUAL | VARIANCE WITH |
|------------------------------------|--------------------------|------------------|------------------|----------------------|
| | ORIGINAL | FINAL | AMOUNTS | FINAL BUDGET |
| | | | | POSITIVE |
| | | | | (NEGATIVE) |
| REVENUES | | | | |
| Local Sources: | | | | |
| Other revenue | \$ - | \$ - | \$ 4,791 | \$ 4,791 |
| Federal Sources | 2,514,571 | 2,514,571 | 2,656,086 | 141,515 |
| TOTAL REVENUES | 2,514,571 | 2,514,571 | 2,660,877 | 146,306 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Health and welfare: | | | | |
| Personnel | 1,931,405 | 1,931,405 | 1,633,675 | 297,730 |
| Gas, oil & repairs | 51,250 | 51,250 | 27,553 | 23,697 |
| Office expense | 171,361 | 171,361 | 533,470 | (362,109) |
| Insurance | 56,550 | 56,550 | 54,420 | 2,130 |
| Utilities | 99,480 | 99,480 | 148,314 | (48,834) |
| Food services | 58,500 | 58,500 | 21,687 | 36,813 |
| Other | 146,025 | 146,025 | 201,546 | (55,521) |
| Capital outlay | - | - | 34,756 | (34,756) |
| Debt service | | | | |
| Interest | - | - | 349 | (349) |
| Principal | - | - | 5,107 | (5,107) |
| TOTAL EXPENDITURES | 2,514,571 | 2,514,571 | 2,660,877 | (146,306) |
| NET CHANGE IN FUND BALANCES | - | - | - | - |
| FUND BALANCES - BEGINNING | - | - | - | - |
| FUND BALANCES - ENDING | \$ - | \$ - | \$ - | \$ - |

See accompanying notes to budgetary comparison schedules.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

**TRANSPORTATION
Budgetary Comparison Schedule
For the Year Ended December 31, 2022**

Exhibit 1-3

| | BUDGETARY AMOUNTS | | ACTUAL | VARIANCE WITH |
|------------------------------------|--------------------------|-------------------|-------------------|----------------------|
| | ORIGINAL | FINAL | AMOUNTS | FINAL BUDGET |
| | | | | POSITIVE |
| | | | | (NEGATIVE) |
| REVENUES | | | | |
| Local Sources: | | | | |
| Other revenue | \$ 126,500 | \$ 126,500 | \$ 71,541 | \$ (54,959) |
| Federal Sources | 590,000 | 590,000 | 390,989 | (199,011) |
| TOTAL REVENUES | 716,500 | 716,500 | 462,530 | (253,970) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Health and welfare: | | | | |
| Personnel | 351,609 | 351,609 | 235,122 | 116,487 |
| Gas, oil & repairs | 113,500 | 113,500 | 45,418 | 68,082 |
| Office expense | 52,450 | 52,450 | 18,929 | 33,521 |
| Insurance | 64,500 | 64,500 | 59,450 | 5,050 |
| Utilities | 12,500 | 12,500 | 14,793 | (2,293) |
| Other | 39,250 | 39,250 | 33,123 | 6,127 |
| Debt service | | | | |
| Interest | - | - | 42 | (42) |
| Principal | - | - | 615 | (615) |
| TOTAL EXPENDITURES | 633,809 | 633,809 | 407,492 | 226,317 |
| NET CHANGE IN FUND BALANCES | 82,691 | 82,691 | 55,038 | (27,653) |
| FUND BALANCES BEGINNING | 254,634 | 254,634 | 254,634 | - |
| FUND BALANCES - ENDING | \$ 337,325 | \$ 337,325 | \$ 309,672 | \$ (27,653) |

See accompanying notes to budgetary comparison schedules.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

**FOOD
Budgetary Comparison Schedule
For the Year Ended December 31, 2022**

Exhibit 1-4

| | BUDGETARY AMOUNTS | | ACTUAL | VARIANCE WITH |
|--|--------------------------|------------------|------------------|----------------------|
| | ORIGINAL | FINAL | AMOUNTS | FINAL BUDGET |
| | | | | POSITIVE |
| | | | | (NEGATIVE) |
| REVENUES | | | | |
| Local Sources: | | | | |
| Other revenue | \$ - | \$ - | \$ 3,774 | \$ 3,774 |
| Federal Sources | 1,141,174 | 1,141,174 | 1,037,776 | (103,398) |
| TOTAL REVENUES | 1,141,174 | 1,141,174 | 1,041,550 | (99,624) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Health and welfare: | | | | |
| Personnel | 243,760 | 243,760 | 191,494 | 52,266 |
| Gas, oil & repairs | - | - | 120 | (120) |
| Office expense | 15,539 | 15,539 | 13,686 | 1,853 |
| Insurance | - | - | 1,267 | (1,267) |
| Utilities | - | - | 740 | (740) |
| Service providers | 620,000 | 620,000 | 677,398 | (57,398) |
| Food services | 230,213 | 230,213 | 126,736 | 103,477 |
| Other | 31,662 | 31,662 | 18,974 | 12,688 |
| Debt service | | | | |
| Interest | - | - | 13 | (13) |
| Principal | - | - | 185 | (185) |
| TOTAL EXPENDITURES | 1,141,174 | 1,141,174 | 1,030,613 | 110,561 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | - | 10,937 | 10,937 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers out | - | - | (39) | (39) |
| NET CHANGE IN FUND BALANCES | - | - | 10,898 | 10,898 |
| FUND BALANCES - BEGINNING | 40,958 | 40,958 | 40,958 | - |
| FUND BALANCES - ENDING | \$ 34,422 | \$ 34,422 | \$ 51,856 | \$ 17,434 |

See accompanying notes to budgetary comparison schedules.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

**CSBG
Budgetary Comparison Schedule
For the Year Ended December 31, 2022**

Exhibit 1-5

| | BUDGETARY AMOUNTS | | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE) |
|-----------------------------|--------------------------|--------------------|---------------------------|---|
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Federal Sources | \$ 199,723 | \$ 199,723 | \$ 150,564 | \$ (49,159) |
| TOTAL REVENUES | <u>199,723</u> | <u>199,723</u> | <u>150,564</u> | <u>(49,159)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Health and welfare: | | | | |
| Personnel | 179,619 | 179,619 | 137,094 | 42,525 |
| Office expense | 5,999 | 5,999 | 1,104 | 4,895 |
| Utilities | 3,725 | 3,725 | 2,867 | 858 |
| Other | <u>10,380</u> | <u>10,380</u> | <u>9,499</u> | <u>881</u> |
| TOTAL EXPENDITURES | <u>199,723</u> | <u>199,723</u> | <u>150,564</u> | <u>49,159</u> |
| NET CHANGE IN FUND BALANCES | - | - | - | - |
| FUND BALANCES BEGINNING | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES - ENDING | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

See accompanying notes to budgetary comparison schedules.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

**LIHEAP ENERGY
Budgetary Comparison Schedule
For the Year Ended December 31, 2022**

Exhibit 1-6

| | BUDGETARY AMOUNTS | | ACTUAL | VARIANCE WITH |
|--|--------------------------|------------------|-----------------|----------------------|
| | ORIGINAL | FINAL | AMOUNTS | FINAL BUDGET |
| | | | | POSITIVE |
| | | | | (NEGATIVE) |
| REVENUES | | | | |
| Federal Sources | \$ 723,435 | \$ 723,435 | \$ 627,730 | \$ (95,705) |
| TOTAL REVENUES | 723,435 | 723,435 | 627,730 | (95,705) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Health and welfare: | | | | |
| Personnel | 31,832 | 31,832 | 52,194 | (20,362) |
| Gas, oil & repairs | - | - | 316 | (316) |
| Office expense | 7,867 | 7,867 | 5,966 | 1,901 |
| Insurance | 1,276 | 1,276 | 861 | 415 |
| Utilities | 638 | 638 | 686 | (48) |
| Service providers | 668,384 | 668,384 | 519,613 | 148,771 |
| Other | 13,438 | 13,438 | 45,890 | (32,452) |
| Debt service | | | | |
| Interest | - | - | 8 | (8) |
| Principal | - | - | 123 | (123) |
| TOTAL EXPENDITURES | 723,435 | 723,435 | 625,657 | 97,778 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | - | 2,073 | 2,073 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers out | - | - | (46,103) | 46,103 |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | (46,103) | (46,103) |
| NET CHANGE IN FUND BALANCES | - | - | (44,030) | (44,030) |
| FUND BALANCES BEGINNING | 44,030 | 44,030 | 44,030 | - |
| FUND BALANCES - ENDING | \$ 44,030 | \$ 44,030 | \$ - | \$ 44,030 |

See accompanying notes to budgetary comparison schedules.

Webster Parish Office of Community Services

Notes to Budgetary Comparison Schedules For the Year Ended December 31, 2022

A. BUDGETS

General Budget Policies Preliminary budgets for the ensuing year are prepared for each program by the Executive Director prior to the beginning of the new grant year according to the related grant terms. During regular Board meetings the Executive Director presents the budgets to the Board for formal approval. The Executive Director answers any questions and makes any necessary changes and the budgets are formally adopted by the Board.

The Executive Director presents necessary budget amendments to the Board during the year when, in her judgment, actual operations or grant funding are differing materially from those anticipated in the original budget. During a regular meeting, the Board reviews the proposed amendments, makes changes as it deems necessary, and formally adopts the amendments.

The Office of Community Services exercises budgetary control at the functional level. Within functions the Executive Director has the discretion to make changes as she deems necessary for proper control. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended. Formal budgetary integration is employed as a management control device.

For the year ended December 31, 2022, modified accrual budgets were adopted for the General fund and all special revenue funds. Budgets are adopted based on the grant budget year which may be different from the fiscal year end. The Headstart, Transportation, Food, CSBG, and LIHEAP Energy budgets are on a grant year end which is different from the fiscal year end.

Encumbrances Encumbrance accounting is not recognized within the accounting records for budgetary control purposes. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the Board.

B. ACTUAL EXPENDITURES EXCEEDING BUDGETED EXPENDITURES

| | <u>Final Budget</u> | <u>Actual</u> | <u>Unfavorable Variance</u> |
|-----------|---------------------|---------------|---------------------------------|
| General | \$ 45,000 | \$ 115,743 | \$ (70,743) |
| Headstart | 2,514,571 | 2,660,877 | (146,306) |

Webster Parish Office of Community Services



SUPPLEMENTARY INFORMATION

Webster Parish Office of Community Services

NONMAJOR SPECIAL REVENUE FUNDS

HOUSING – This fund accounts for grants received to assist low-income citizens in obtaining affordable housing.

EMERGENCY ASSISTANCE – This fund accounts for grant funds provided through FEMA to provide emergency assistance to meet needs of low-income citizens within the parish.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

December 31, 2022

Exhibit 2

| | <u>HOUSING</u> | <u>EMERGENCY ASSISTANCE</u> | <u>TOTAL</u> |
|--|-----------------------|--|---------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 259 | \$ 3,757 | \$ 4,016 |
| TOTAL ASSETS | <u>259</u> | <u>3,757</u> | <u>4,016</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Interfund payables | <u>169</u> | <u>1,114</u> | <u>1,283</u> |
| TOTAL LIABILITIES | <u>169</u> | <u>1,114</u> | <u>1,283</u> |
| Fund balances: | | | |
| Restricted | <u>90</u> | <u>2,643</u> | <u>2,733</u> |
| TOTAL FUND BALANCES | <u>90</u> | <u>2,643</u> | <u>2,733</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 259</u> | <u>\$ 3,757</u> | <u>\$ 4,016</u> |

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2022

Exhibit 3

| | HOUSING | EMERGENCY ASSISTANCE | TOTAL |
|-----------------------------|----------------|---------------------------------|--------------|
| REVENUES | | | |
| Federal Sources | \$ - | \$ - | \$ - |
| TOTAL REVENUES | - | - | - |
| EXPENDITURES | | | |
| Current: | | | |
| Health and welfare: | | | |
| Personnel | - | - | - |
| TOTAL EXPENDITURES | - | - | - |
| NET CHANGE IN FUND BALANCES | - | - | - |
| FUND BALANCES - BEGINNING | 90 | 2,643 | 2,733 |
| FUND BALANCES - ENDING | \$ 90 | \$ 2,643 | \$ 2,733 |

**Webster Parish Office of Community Services
Schedule of Compensation Paid Board Members
For the Year Ended December 31, 2022**

Exhibit 4

COMPENSATION PAID BOARD MEMBERS The schedule of compensation paid to Board Members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

The following board members received no compensation for the year ended December 31, 2022.

| | |
|------------------|--------------------|
| Joseph Jefferson | Steve Lemmons |
| L.R. Clemons | Kertedra Clark |
| Cat Cox | Virginia Jefferson |
| Shirley Williams | Vera Davison |
| Steve Wilson | Angelisa Strayhan |
| Steve Ramsey | Joe Cornelius |
| Jim Yocum | Carl Thompson |
| Bammer Fuller | Charlotte Jones |
| Debbie Thomas | |

**Webster Parish Office of Community Services
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2022**

Exhibit 5

Agency Head Name: Melinda Davidson, Executive Director

| | |
|-----------------------------------|-----------|
| <u>Purpose</u> | |
| Salary | \$ 63,691 |
| Benefits-insurance | 8,461 |
| Benefits-retirement | 7,375 |
| Benefits - Other - Workman's Comp | 130 |
| Benefits - Medicare | 901 |
| Per diem | 883 |
| Reimbursements | 25 |

Webster Parish Police Jury (LA213)
Minden, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

| | <u>14.871 Housing Choice Vouchers</u> | <u>Subtotal</u> | <u>ELIM</u> | <u>Total</u> |
|---|---|-----------------|-------------|--------------|
| 111 Cash - Unrestricted | \$195,004 | \$195,004 | | \$195,004 |
| 112 Cash - Restricted - Modernization and Development | | | | |
| 113 Cash - Other Restricted | \$5,440 | \$5,440 | | \$5,440 |
| 114 Cash - Tenant Security Deposits | | | | |
| 115 Cash - Restricted for Payment of Current Liabilities | | | | |
| 100 Total Cash | \$200,444 | \$200,444 | | \$200,444 |
| 121 Accounts Receivable - PHA Projects | | | | |
| 122 Accounts Receivable - HUD Other Projects | \$0 | \$0 | | \$0 |
| 124 Accounts Receivable - Other Government | | | | |
| 125 Accounts Receivable - Miscellaneous | | | | |
| 126 Accounts Receivable - Tenants | \$0 | \$0 | | \$0 |
| 126.1 Allowance for Doubtful Accounts - Tenants | \$0 | \$0 | | \$0 |
| 126.2 Allowance for Doubtful Accounts - Other | \$0 | \$0 | | \$0 |
| 127 Notes, Loans, & Mortgages Receivable - Current | | | | |
| 128 Fraud Recovery | \$5,733 | \$5,733 | | \$5,733 |
| 128.1 Allowance for Doubtful Accounts - Fraud | -\$5,733 | -\$5,733 | | -\$5,733 |
| 129 Accrued Interest Receivable | | | | |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$0 | \$0 | | \$0 |
| 131 Investments - Unrestricted | \$5,903 | \$5,903 | | \$5,903 |
| 132 Investments - Restricted | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | |
| 142 Prepaid Expenses and Other Assets | | | | |
| 143 Inventories | | | | |
| 143.1 Allowance for Obsolete Inventories | | | | |
| 144 Inter Program Due From | | | | |
| 145 Assets Held for Sale | | | | |
| 150 Total Current Assets | \$206,347 | \$206,347 | | \$206,347 |
| 161 Land | | | | |
| 162 Buildings | | | | |
| 163 Furniture, Equipment & Machinery - Dwellings | | | | |
| 164 Furniture, Equipment & Machinery - Administration | \$34,467 | \$34,467 | | \$34,467 |
| 165 Leasehold Improvements | | | | |
| 166 Accumulated Depreciation | -\$10,929 | -\$10,929 | | -\$10,929 |
| 167 Construction in Progress | | | | |
| 168 Infrastructure | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | \$23,538 | \$23,538 | | \$23,538 |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | | | | |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due | | | | |
| 173 Grants Receivable - Non Current | | | | |
| 174 Other Assets | | | | |
| 176 Investments in Joint Ventures | | | | |
| 180 Total Non-Current Assets | \$23,538 | \$23,538 | | \$23,538 |
| 200 Deferred Outflow of Resources | | | | |
| 290 Total Assets and Deferred Outflow of Resources | \$229,885 | \$229,885 | | \$229,885 |

(continued)

Webster Parish Police Jury (LA213)
Minden, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

| | <u>14.871 Housing Choice Vouchers</u> | <u>Subtotal</u> | <u>ELIM</u> | <u>Total</u> |
|---|---|-----------------|-------------|--------------|
| 311 Bank Overdraft | | | | |
| 312 Accounts Payable <= 90 Days | \$1,168 | \$1,168 | | \$1,168 |
| 313 Accounts Payable >90 Days Past Due | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | \$1,180 | \$1,180 | | \$1,180 |
| 322 Accrued Compensated Absences - Current Portion | \$889 | \$889 | | \$889 |
| 324 Accrued Contingency Liability | | | | |
| 325 Accrued Interest Payable | | | | |
| 331 Accounts Payable - HUD PHA Programs | | | | |
| 332 Account Payable - PHA Projects | | | | |
| 333 Accounts Payable - Other Government | | | | |
| 341 Tenant Security Deposits | | | | |
| 342 Unearned Revenue | | | | |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue | | | | |
| 344 Current Portion of Long-term Debt - Operating Borrow ings | | | | |
| 345 Other Current Liabilities | \$2,364 | \$2,364 | | \$2,364 |
| 346 Accrued Liabilities - Other | | | | |
| 347 Inter Program - Due To | | | | |
| 348 Loan Liability - Current | | | | |
| 310 Total Current Liabilities | \$5,601 | \$5,601 | | \$5,601 |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue | | | | |
| 352 Long-term Debt, Net of Current - Operating Borrow ings | | | | |
| 353 Non-current Liabilities - Other | | | | |
| 354 Accrued Compensated Absences - Non Current | | | | |
| 355 Loan Liability - Non Current | | | | |
| 356 FASB 5 Liabilities | | | | |
| 357 Accrued Pension and OPEB Liabilities | | | | |
| 350 Total Non-Current Liabilities | \$0 | \$0 | | \$0 |
| 300 Total Liabilities | \$5,601 | \$5,601 | | \$5,601 |
| 400 Deferred Inflow of Resources | | | | |
| 508.4 Net Investment in Capital Assets | \$23,538 | \$23,538 | | \$23,538 |
| 511.4 Restricted Net Position | \$5,440 | \$5,440 | | \$5,440 |
| 512.4 Unrestricted Net Position | \$195,306 | \$195,306 | | \$195,306 |
| 513 Total Equity - Net Assets / Position | \$224,284 | \$224,284 | | \$224,284 |
| 600 Total Liabilities, Deferred Inflow s of Resources and Equity - Net | \$229,885 | \$229,885 | | \$229,885 |

(continued)

Webster Parish Police Jury (LA213)
Minden, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

| | <u>14.871 Housing Choice Vouchers</u> | <u>Subtotal</u> | <u>ELIM</u> | <u>Total</u> |
|---|---|-----------------|-------------|--------------|
| 70300 Net Tenant Rental Revenue | | | | |
| 70400 Tenant Revenue - Other | | | | |
| 70500 Total Tenant Revenue | \$0 | \$0 | | \$0 |
| 70600 HUD PHA Operating Grants | \$723,348 | \$723,348 | | \$723,348 |
| 70610 Capital Grants | | | | |
| 70710 Management Fee | | | | |
| 70720 Asset Management Fee | | | | |
| 70730 Book Keeping Fee | | | | |
| 70740 Front Line Service Fee | | | | |
| 70750 Other Fees | | | | |
| 70700 Total Fee Revenue | | | | |
| 70800 Other Government Grants | | | | |
| 71100 Investment Income - Unrestricted | \$120 | \$120 | | \$120 |
| 71200 Mortgage Interest Income | | | | |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | |
| 71310 Cost of Sale of Assets | | | | |
| 71400 Fraud Recovery | \$12,010 | \$12,010 | | \$12,010 |
| 71500 Other Revenue | \$1,665 | \$1,665 | | \$1,665 |
| 71600 Gain or Loss on Sale of Capital Assets | | | | |
| 72000 Investment Income - Restricted | \$0 | \$0 | | \$0 |
| 70000 Total Revenue | \$737,143 | \$737,143 | | \$737,143 |
| 91100 Administrative Salaries | \$49,688 | \$49,688 | | \$49,688 |
| 91200 Auditing Fees | \$2,229 | \$2,229 | | \$2,229 |
| 91300 Management Fee | \$0 | \$0 | | \$0 |
| 91310 Book-keeping Fee | | | | |
| 91400 Advertising and Marketing | | | | |
| 91500 Employee Benefit contributions - Administrative | \$7,467 | \$7,467 | | \$7,467 |
| 91600 Office Expenses | \$12,657 | \$12,657 | | \$12,657 |
| 91700 Legal Expense | | | | |
| 91800 Travel | \$700 | \$700 | | \$700 |
| 91810 Allocated Overhead | | | | |
| 91900 Other | | | | |
| 91000 Total Operating - Administrative | \$72,741 | \$72,741 | | \$72,741 |
| 92000 Asset Management Fee | | | | |
| 92100 Tenant Services - Salaries | | | | |
| 92200 Relocation Costs | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | | | |
| 92400 Tenant Services - Other | | | | |
| 92500 Total Tenant Services | \$0 | \$0 | | \$0 |

(continued)

Webster Parish Police Jury (LA213)
Minden, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

| | <u>14.871 Housing Choice Vouchers</u> | <u>Subtotal</u> | <u>ELIM</u> | <u>Total</u> |
|---|---|-----------------|-------------|--------------|
| 93100 Water | | | | |
| 93200 Electricity | \$436 | \$436 | | \$436 |
| 93300 Gas | | | | |
| 93400 Fuel | | | | |
| 93500 Labor | | | | |
| 93600 Sewer | | | | |
| 93700 Employee Benefit Contributions - Utilities | | | | |
| 93800 Other Utilities Expense | | | | |
| 93000 Total Utilities | \$436 | \$436 | | \$436 |
| 94100 Ordinary Maintenance and Operations - Labor | | | | |
| 94200 Ordinary Maintenance and Operations - Materials and Other | \$1,675 | \$1,675 | | \$1,675 |
| 94300 Ordinary Maintenance and Operations Contracts | | | | |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | | | | |
| 94000 Total Maintenance | \$1,675 | \$1,675 | | \$1,675 |
| 95100 Protective Services - Labor | | | | |
| 95200 Protective Services - Other Contract Costs | | | | |
| 95300 Protective Services - Other | | | | |
| 95500 Employee Benefit Contributions - Protective Services | | | | |
| 95000 Total Protective Services | \$0 | \$0 | | \$0 |
| 96110 Property Insurance | | | | |
| 96120 Liability Insurance | \$1,348 | \$1,348 | | \$1,348 |
| 96130 Workmen's Compensation | | | | |
| 96140 All Other Insurance | \$4,053 | \$4,053 | | \$4,053 |
| 96100 Total insurance Premiums | \$5,401 | \$5,401 | | \$5,401 |
| 96200 Other General Expenses | | | | |
| 96210 Compensated Absences | \$2,651 | \$2,651 | | \$2,651 |
| 96300 Payments in Lieu of Taxes | | | | |
| 96400 Bad debt - Tenant Rents | | | | |
| 96500 Bad debt - Mortgages | | | | |
| 96600 Bad debt - Other | \$7,514 | \$7,514 | | \$7,514 |
| 96800 Severance Expense | | | | |
| 96000 Total Other General Expenses | \$10,165 | \$10,165 | | \$10,165 |
| 96710 Interest of Mortgage (or Bonds) Payable | | | | |
| 96720 Interest on Notes Payable (Short and Long Term) | | | | |
| 96730 Amortization of Bond Issue Costs | | | | |
| 96700 Total Interest Expense and Amortization Cost | \$0 | \$0 | | \$0 |
| 96900 Total Operating Expenses | \$90,418 | \$90,418 | | \$90,418 |
| 97000 Excess of Operating Revenue over Operating Expenses | \$646,725 | \$646,725 | | \$646,725 |

(continued)

Webster Parish Police Jury (LA213)
Minden, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

| | <u>14.871 Housing Choice Vouchers</u> | <u>Subtotal</u> | <u>ELIM</u> | <u>Total</u> |
|---|---|-----------------|-------------|--------------|
| 97100 Extraordinary Maintenance | | | | |
| 97200 Casualty Losses - Non-capitalized | | | | |
| 97300 Housing Assistance Payments | \$618,535 | \$618,535 | | \$618,535 |
| 97350 HAP Portability-In | | | | |
| 97400 Depreciation Expense | \$2,888 | \$2,888 | | \$2,888 |
| 97500 Fraud Losses | | | | |
| 97600 Capital Outlays - Governmental Funds | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | |
| 97800 Dwelling Units Rent Expense | | | | |
| 90000 Total Expenses | \$711,841 | \$711,841 | | \$711,841 |
| 10010 Operating Transfer In | | | | |
| 10020 Operating transfer Out | | | | |
| 10030 Operating Transfers from/to Primary Government | | | | |
| 10040 Operating Transfers from/to Component Unit | | | | |
| 10050 Proceeds from Notes, Loans and Bonds | | | | |
| 10060 Proceeds from Property Sales | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | |
| 10093 Transfers between Program and Project - In | | | | |
| 10094 Transfers between Project and Program - Out | | | | |
| 10100 Total Other financing Sources (Uses) | \$0 | \$0 | | \$0 |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses | \$25,302 | \$25,302 | | \$25,302 |
| 11020 Required Annual Debt Principal Payments | \$0 | \$0 | | \$0 |
| 11030 Beginning Equity | \$198,982 | \$198,982 | | \$198,982 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of Errors | \$0 | \$0 | | \$0 |
| 11050 Changes in Compensated Absence Balance | | | | |
| 11060 Changes in Contingent Liability Balance | | | | |
| 11070 Changes in Unrecognized Pension Transition Liability | | | | |
| 11080 Changes in Special Term/Severance Benefits Liability | | | | |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents | | | | |
| 11100 Changes in Allowance for Doubtful Accounts - Other | | | | |
| 11170 Administrative Fee Equity | \$218,844 | \$218,844 | | \$218,844 |
| 11180 Housing Assistance Payments Equity | \$5,440 | \$5,440 | | \$5,440 |
| 11190 Unit Months Available | 1661 | 1661 | | 1661 |
| 11210 Number of Unit Months Leased | 1661 | 1661 | | 1661 |
| 11270 Excess Cash | | | | |
| 11610 Land Purchases | | | | |
| 11620 Building Purchases | | | | |
| 11630 Furniture & Equipment - Dwelling Purchases | | | | |
| 11640 Furniture & Equipment - Administrative Purchases | | | | |
| 11650 Leasehold Improvements Purchases | | | | |
| 11660 Infrastructure Purchases | | | | |
| 13510 CFFP Debt Service Payments | | | | |
| 13901 Replacement Housing Factor Funds | | | | |

(concluded)



Other Reports Required by *Government Auditing Standards* and Uniform Guidance



ALLEN, GREEN & WILLIAMSON, LLP

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(Retired) 1963 - 2000

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Board Members
Webster Parish Office of Community Services
A Component Unit of the Webster Parish Police Jury
Minden, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Webster Parish Office of Community Services, a component unit of the Webster Parish Police Jury, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Office of Community Services' basic financial statements, and have issued our report thereon dated June 30, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office of Community Services' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office of Community Services' internal control. Accordingly, we do not express an opinion on the effectiveness of the Office of Community Services' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office of Community Services' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
June 30, 2023



ALLEN, GREEN & WILLIAMSON, LLP

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Report on Compliance for Each Major Federal Program; and Report on Internal Control over Compliance Required by the Uniform Guidance

Independent Auditor's Report

Board Members
Webster Parish Office of Community Services
A Component Unit of the Webster Parish Police Jury
Minden, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Webster Parish Office of Community Services, a component unit of the Webster Parish Police Jury's, compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Office of Community Services' major federal programs for the year ended December 31, 2022. The Office of Community Services' major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Office of Community Services complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Office of Community Services and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Office of Community Services' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the federal requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Office of Community Services' federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Office of Community Services' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the Office of Community Services' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgement and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Office of Community Services' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Office of Community Services' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Office of Community Services' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the Office of Community Services' response to the noncompliance findings identified in our compliance audit described in the corrective action plan for current year findings and questioned costs. The Office of Community Services' response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the Office of Community Services' response to the internal control over compliance findings identified in our audit described in the corrective action plan for current year findings and questioned costs. The Office of Community Services' response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
June 30, 2023

**Webster Parish Office of Community Services
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022**

Exhibit 7

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME | AL <u>Number</u> | Pass-Through <u>Grantor No.</u> | <u>Expenditures</u> | |
|--|---------------------|------------------------------------|---------------------|------------------|
| FEDERAL AWARDS | | | | |
| United States Department of Agriculture | | | | |
| Passed through the State of Louisiana Department of Education: | | | | |
| Child and Adult Care Food Program – Family Day Care | 10.558 | FY2021 & FY 2022 | \$ 836,203 | |
| Child and Adult Care Food Program – Head Start Food Service | | FY2021 & FY 2022 | <u>201,573</u> | |
| Total Child and Adult Care Food Program | | | | \$ 1,037,776 |
| Total U. S. Department of Agriculture | | | | <u>1,037,776</u> |
| United States Department of Housing and Urban Development | | | | |
| Direct Programs: | | | | |
| Section 8 Housing Choice Vouchers Cluster | 14.871 | LA213 | | <u>723,348</u> |
| United States Department of Transportation | | | | |
| Passed Through Webster Parish Police Jury | | | | |
| FTA Section 5311 | 20.509 | LA-2020-007 | 193,466 | |
| COVID-19 FTA Section 5311 | | | <u>197,523</u> | <u>390,989</u> |
| U. S. Department of Health and Human Services | | | | |
| Direct programs: | | | | |
| Head Start Cluster | | | | |
| Head Start | 93.600 | 06CH01155702 | | |
| | | 06CH01218901 | 2,451,975 | |
| COVID-19 Head Start | | 06HE00038101C5 | | |
| | | 06HE00038101C6 | <u>204,111</u> | 2,656,086 |
| Passed Through Louisiana Office of Workforce Development: | | | | |
| Community Services Block Grant (477 Cluster) | | | | |
| Community Services Block Grant | 93.569 | 2020P0012 | | 150,564 |
| Passed Through Louisiana Housing Corporation: | | | | |
| Low Income Home Energy Assistance | 93.568 | FY2021 & FY 2022 | 599,584 | |
| COVID-19 Low Income Home Energy Assistance (ARP) | | | <u>28,146</u> | <u>627,730</u> |
| Total Department of Health and Human Services | | | | <u>3,434,380</u> |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | | \$ 5,586,493 |

The accompanying notes are an integral part of the schedule.

Webster Parish Office of Community Services
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

NOTE 1 - BASIS OF PRESENTATION The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Webster Parish Office of Community Services, a component unit of the Webster Parish Police Jury, under programs of the federal government for the year ended December 31, 2022.

The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Webster Parish Office of Community Services, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Office of Community Services.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Expenditures reported on the Schedule are reported on the modified accrual basis of accounting except for Section 8 Voucher which is reported on the full accrual basis which is described in Note 1 of the Notes to the Financial Statements of the Office of Community Service's annual financial report. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the Office of Community Services' fund financial statements as follows:

| | <u>Federal Sources</u> |
|--------------------------|----------------------------|
| Major: | |
| Headstart | \$ 2,656,086 |
| Transportation | 390,989 |
| Food | 1,037,776 |
| CSBG | 150,564 |
| LIHEAP Energy | <u>627,730</u> |
| Total governmental funds | 4,863,145 |
| Business-Type Activities | |
| Section 8 Voucher | <u>723,348</u> |
| Total | <u><u>\$ 5,586,493</u></u> |

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - MATCHING REVENUES AND STATE FUNDING For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 - DE MINIMUS INDIRECT COST RATE The Office of Community Services has not elected to utilize the 10% de minimus indirect cost rate allowed under the Uniform Guidance.

**Webster Parish Office of Community Services
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022**

PART I - Summary of the Auditor's Results

Financial Statement Audit

- i. The type of audit report issued was unmodified.
- ii. There were no significant deficiencies required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America.
- iii. There were no instances of noncompliance considered material to the financial statements, as defined by Government Auditing Standards.

Audit of Federal Awards

- iv. There were significant deficiencies identified that are required to be disclosed by the Uniform Guidance (2 CFR 200). The significant deficiencies were not considered to be a material weakness.
- v. The type of report the auditor issued on compliance for major programs was unmodified.
- vi. The audit disclosed two compliance audit findings which the auditor is required to report under Uniform Guidance.
- vii. The major federal programs are:

| | |
|-----------------------------------|-----------|
| Child and Adult Care Food Program | AL#10.558 |
| Head Start Cluster | AL#93.600 |
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in the Uniform Guidance was \$750,000.
- ix. The auditee does not qualify as a low-risk auditee under the Uniform Guidance.

**Webster Parish Office of Community Services
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022**

Part III – Findings and questioned costs for federal awards which are required to be reported under the Uniform Guidance:

Reference # and Title: **2022-001** **Allowable Costs in Head Start**

Entity-wide or program/department specific: This finding relates to the Head Start grant program AL#93.600 for the federal award year 2022 received directly from the U. S. Department of Health and Human Services.

Criteria or specific requirement: In order to receive cost reimbursement under Head Start, the Office of Community Services submits claims asserting that allowable and eligible costs have been incurred in accordance with 2 CFR part 200, subpart E.

Condition found: Administrative salaries are allocated among the federal grants based on a cost allocation that is set up in the payroll module at the beginning of the year. The allocation of salaries and benefits was incorrect based on time sheets prepared by some administrative staff which denote the percentage of time spent on each grant. Salaries and benefits in the Transportation program were understated based on the time sheets for that program. Salaries and benefits in the Head Start program were overstated. The salaries and benefits that were recorded in the Head Start fund were reimbursed through the Head Start grant. An adjusting entry was made to move the salaries and benefits to the correct fund which resulted in an overpayment from Head Start of \$31,729. Other salary-related benefit errors were noted in the calculation of worker's compensation and health insurance which resulted in a net overpayment from Head Start of \$12,170. A conference cancellation which had already been paid for and requested resulted in an overpayment of \$6,937. Total questioned costs were \$50,836.

Identification of Questioned Costs: Time sheets were used to calculate the salaries and benefits understatement in the Transportation program for each month. This was compared to the amount that was charged to other programs. Accruals for worker's compensation and health insurance benefits were compared to amounts billed to arrive at the amount of the error in employee benefits. These questioned costs were received under grant #06CH01155702.

Context: A finding was reported in the prior year regarding the incorrect allocation of salaries and benefits. This error continued in the months of January through June in 2022. Other salary related benefits errors were noted in analysis of expenditure accounts for worker's compensation and health insurance. The conference was actually paid for in September of 2021 and was reimbursed to the Office of Community Services in January 2022 but the money had already been requested.

Cause: The cost allocation for several administrative employees was not correct in the payroll system for the months January through June 2022. The calculation of worker's compensation and health insurance benefits was not correct.

Effect: The Head Start program was charged for some administrative salaries and benefits that were reimbursed by another program and was also overcharged for some other salary related benefits.

Recommendation to prevent future occurrences: Time sheets should be used to record salaries and benefits for each grant instead of the cost allocation. The amounts that were overcharged to Head Start should be repaid. Expenditures for salary related benefits such as worker's compensation and health insurance should be reviewed monthly to ensure these amounts are correctly calculated and recorded.

Origination date and prior year reference (if applicable): This finding originated in the prior year.

View of responsible official: All employees paid by cost allocation will be charged to the programs based on time sheets. This was fully implemented June 15, 2022.

**Webster Parish Office of Community Services
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022**

Reference # and Title: **2022-002** **Enrollment Documentation**

Entity-wide or program/department specific: This finding relates to the Child and Adult Care Food Program AL#10.558 for the federal award year 2022 received from the U. S. Department of Agriculture passed through the Louisiana Department of Education.

Criteria or specific requirement: Day care providers should have an approved application form for all children for whom reimbursement is requested. These applications are completed by the parent or guardian and approved by personnel of the Office of Community Services.

Condition found: Samples were selected for testing of disbursements to providers, eligibility, and cash management. For all samples, application or enrollment forms were requested for all children associated with that payment or provider. Six exceptions were noted where enrollment documentation was not provided.

Context: A total of 66 payments to providers were selected in testing different compliance requirements.

Cause: Documentation was not provided in the exceptions noted above.

Effect: Some payments to providers may not have the required enrollment forms.

Recommendation to prevent future occurrences: Provider files should be reviewed to ensure that files are complete and enrollment forms should be obtained for those not located.

Origination date and prior year reference (if applicable): This finding originated in the current year.

View of responsible official: Provider files will be reviewed to ensure that files are complete and enrollment forms should be obtained for those not located.

**Webster Parish Office of Community Services
Status of Prior Year Findings and Questioned Costs
For the Year Ended December 31, 2022**

Reference # and Title: **2021-001** **Advertising the Budget**

Entity-wide or program/department specific: This finding is entity-wide.

Condition: Louisiana Revised Statute 39:1306 requires that political subdivisions with a governing authority shall complete a proposed budget and submit it to the governing authority of the political subdivision no later than 15 days prior to the beginning of each fiscal year. The governing authority should make it available for public inspection as provided for in Louisiana Revised Statute 39:1308. The budget for the Office of Community Services was not submitted to the Webster Parish Police Jury.

Corrective action taken: Our budgets are presented to the agencies' board of directors and are now presented to the Webster Parish Police Jury. This finding is considered to be cleared.

Reference # and Title: **2021-002** **Accounting for Grants**

Entity-wide or program/department specific: This finding relates to cost reimbursement funds.

Condition: Cost reimbursement grants are reimbursed based on the expenditures for that grant. The total revenue and total expenditures for cost reimbursement grants should agree. Revenues and expenditures should be reconciled each month to ensure that all eligible expenditures are reimbursed. Salaries and benefits expenditures charged to grants should be based on actual time spent on those grants. Several grant funds that were cost reimbursement grants ended the year with an excess or deficiency. There was no monitoring of these funds during the year to ensure that revenues agreed with expenditures in the general ledger. Salaries and benefits of four administrative employees were allocated based on a cost allocation plan. These employees also completed time sheets which did not agree with the cost allocation.

Corrective action taken: The Executive Director reviews the financial statements on a regular basis. The financial statements are reconciled monthly by the Fiscal Director and are presented to the Executive Director upon monthly completion. This finding is considered to be cleared.

Reference # and Title: **2021-003** **Late Submission of the Audit Report to the Legislative Auditor**

Condition: Louisiana Revised Statute (R.S.) 24:513 (audit law) establishes the due date of audit reports as no later than six months after the fiscal year end. An audit that is submitted past the statutory due date must include a finding for the non-compliance with the audit law except when an emergency extension request has been approved. The report was filed after the six month deadline and the agency did not have an emergency extension.

Corrective action taken: The current year report will be filed timely. This finding is considered to be cleared.

Reference # and Title: **2021-004** **Allowable Costs in Head Start**

Entity-wide or program/department specific: This finding relates to the Head Start grant program AL#93.600 for the federal award year 2021 received directly from the U. S. Department of Health and Human Services.

Condition: In order to receive cost reimbursement under Head Start, the Office of Community Services submits claims asserting that allowable and eligible costs have been incurred in accordance with 2 CFR part 200, subpart E.

**Webster Parish Office of Community Services
Status of Prior Year Findings and Questioned Costs
For the Year Ended December 31, 2022**

Administrative salaries are allocated among the federal grants based on a cost allocation that is set up in the payroll module at the beginning of the year. The allocation of salaries and benefits was incorrect based on time sheets prepared by administrative staff which denotes the percentage of time spent on each grant. Salaries and benefits in the Transportation program was understated based on the time sheets for that program. Salaries and benefits in the Head Start program were overstated. The salaries and benefits that were recorded in the Head Start fund were reimbursed through the Head Start grant. An audit adjustment was made to move the salaries and benefits to the correct fund which resulted in an overpayment from Head Start of \$61,979. This error actually began in the prior year and an overpayment of \$46,976 was noted for that year.

Corrective action planned: See Corrective Action Plan for current year finding 2022-001.

Reference # and Title: **2021-005** **Section 8 HQS Inspections and Enforcement**

Entity-wide or program/department specific: This finding relates to the Section 8 Voucher program AL#14.871 for the federal award year 2021 received directly from the U. S. Department of Housing and Urban Development.

Condition: For units under HAP contract that fail to meet housing quality standards (HQS), the Office of Community Services must require the owner to correct any life threatening HQS deficiencies within 24 hours after the inspections and all other HQS deficiencies within 30 calendar days or within a specified Office of Community Services approved extension. A sample of inspections was selected to test for repairs being completed within the required time. Documentation of the repairs for 2 of the units was not available and was requested and received from the apartment manager. One unit which had deficiencies was repaired within the 30 day timeline but appears to be emergency repairs which should have been repaired within 24 hours.

Corrective action taken: A list of housing quality standards that fall under the 24 hour life threatening and deficiencies within 30 calendar days are taken to each inspection. This allows the inspector to immediately identify the deficiency category and implement the proper corrective action. This finding is considered to be cleared.

Reference # and Title: **2021-006** **Section 8 Rent Reasonableness**

Entity-wide or program/department specific: This finding relates to the Section 8 Voucher program AL#14.871 for the federal award year 2021 received directly from the U. S. Department of Housing and Urban Development.

Condition: The Office of Community Services must determine that the rent to owner is reasonable at the time of initial leasing, before any increase in the rent to owner, and at the HAP anniversary if there is a 5% decrease in the published Fair Market Rent in effect 60 days before the HAP contract anniversary. Office of Community Services was using a computer program to do the rent reasonableness testing but was not using this information to determine reasonable rent. Several units were entered as the wrong type of dwelling in the computer program and appeared to not be reasonable. Once the unit type was corrected, the units then met the reasonableness test.

Corrective action taken: Procedures were put into place to establish rent reasonableness. This finding is considered to be cleared.

OTHER INFORMATION

Webster Parish Office of Community Services



Webster Parish Police Jury OFFICE OF COMMUNITY SERVICES

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June 29, 2023

Corrective Action Plan for 2022 Audit

Allowable Costs in Head Start:

All employees paid by Cost Allocation will be charged to the programs based on time sheets, this was fully implemented June 15, 2022.

Enrollment Documentation in Child and Adult Care Food:

Provider files will be reviewed to ensure that files are complete and enrollment forms should be obtained for those not located.


Melinda A. Davidson
Executive Director

AGREED-UPON PROCEDURES



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING STATEWIDE AGREED-UPON PROCEDURES

Board Members

Webster Parish Office of Community Services

A Component Unit of the Webster Parish Police Jury

Minden, Louisiana

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal year ended December 31, 2022. Webster Parish Office of Community Services, a component unit of the Webster Parish Police Jury's, management is responsible for those C/C areas identified in the SAUPs.

The Office of Community Services and the Louisiana Legislative Auditor of the State of Louisiana (the specified parties) have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal year ended December 31, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations
 - i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii. ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - iii. ***Disbursements***, including processing, reviewing, and approving.

- iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. ***Ethics*** including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. ***Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Comment: No exceptions were noted as a result of applying the agreed upon procedures.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit findings, according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Comment: No exceptions were noted as a result of applying the agreed upon procedures.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Comment: No exceptions were noted as a result of applying the agreed upon procedures.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies

and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- i. Employees responsible for cash collections do not share cash drawers/registers.
 - ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - iii. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3A under “Bank Reconciliations” above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

Comment: No exceptions were noted as a result of applying the agreed upon procedures.

5) Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - ii. At least two employees are involved in processing and approving payments to vendors.
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

- C. For each location selected under #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
 - i. Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Comment: No exceptions were noted as a result of applying the agreed upon procedures.

6) Credit Cards/Debit Cards/Fuel Cards/P-Cards

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]; and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Comment: Two exceptions noted where original receipts were not included in the monthly statements for fuel and one exception noted where a payment included interest.

Management's Response: All receipts for all per diem and credit cards will be obtained and retained in the applicable file according to statement by month.

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- i. If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- ii. If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- iii. Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
- iv. Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Comment: No exceptions were noted as a result of applying the agreed upon procedures.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
 - i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
 - iii. If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
 - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Comment: No exceptions were noted as a result of applying the agreed upon procedures.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:
- i. Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - iii. Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Comment: No exceptions were noted as a result of applying the agreed upon procedures.

10) Ethics

- A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Comment: No exceptions were noted as a result of applying the agreed upon procedures.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Comment: Webster Parish Office of Community Services has no debt issued in the current year nor outstanding from prior years.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Comment: No exceptions were noted as a result of applying the agreed upon procedures.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
 - i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for

testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

- iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Comment: We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

Comment: No exceptions were noted as a result of applying the agreed upon procedures.

We were engaged by Webster Parish Office of Community Services, a component unit of the Webster Parish Police Jury, to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which

would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Office of Community Services and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
June 30, 2023