

**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, 2023**

Webster Parish Office of Community Services

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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, 2023, 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, 2023, 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.

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 are 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 Information

Management is responsible for the other information included in the annual report. The other information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2024 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

Monroe, Louisiana
June 28, 2024

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, 2023**

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, 2023.

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 2023 by \$2,541,660.
- The Office of Community Services' net position of the governmental activities increased by \$404,057 as a result of this year's operations.
- The Office of Community Services' total general and program revenues for governmental activities were \$5,190,027 in 2023 which is a decrease of \$103,428 over 2022.
- During the year ended December 31, 2023, the Office of Community Services had total expenses of \$4,785,970 for governmental activities, which includes depreciation expense. Expenses for 2022 totaled \$4,845,032. Expenses decreased in 2023 by \$59,062.

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, 2023**

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 Expenditures of Federal Awards with Notes
Schedule of Findings and Questioned Costs
Corrective Action Plan for Current Year Findings and Questioned Costs
Statewide Agreed Upon Procedures**

**Webster Parish Office of Community Services
Management's Discussion and Analysis (MD&A)
December 31, 2023**

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, 2023**

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 proprietary fund) 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 \$2,541,660, at December 31, 2023. Of this amount, \$344,721 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 changes 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	
	2023	2022	2023	2022
Other assets	\$ 976,830	\$ 1,178,685	\$ 233,955	\$ 205,230
Capital assets	1,861,327	1,774,892	22,335	23,538
Total assets	<u>2,838,157</u>	<u>2,953,577</u>	<u>256,290</u>	<u>228,768</u>
Other liabilities	195,736	382,499	3,710	3,595
Long-term liabilities	<u>100,761</u>	<u>433,475</u>	<u>1,141</u>	<u>889</u>
Total liabilities	<u>296,497</u>	<u>815,974</u>	<u>4,851</u>	<u>4,484</u>
Net position				
Investment in capital assets	1,824,977	1,765,552	22,335	23,538
Restricted	371,962	364,261	633	5,440
Unrestricted	<u>344,721</u>	<u>7,790</u>	<u>228,471</u>	<u>195,306</u>
Total net position	<u>\$ 2,541,660</u>	<u>\$ 2,137,603</u>	<u>\$ 251,439</u>	<u>\$ 224,284</u>

The \$344,721 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 an excess of \$344,721.

The net position for governmental activities increased by \$404,057. Overall assets decreased by \$115,420, which was largely attributed to mainly a decrease in receivables in Transportation 5311.

**Webster Parish Office of Community Services
Management's Discussion and Analysis (MD&A)
December 31, 2023**

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,**

	<u>Governmental Activities</u>			<u>Business-type Activities</u>		
	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease) From 2022</u>	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease) From 2022</u>
Revenues:						
Program revenues:						
Charges for services	\$ 81,030	\$ 71,541	\$ 9,489	\$ -	\$ -	\$ -
Operating grants & contributions	4,632,213	4,863,145	(230,932)	744,299	723,348	20,951
General revenues:						
Other revenues	476,784	151,913	324,871	12,885	13,795	(910)
Total revenues	<u>5,190,027</u>	<u>5,086,599</u>	<u>103,428</u>	<u>757,184</u>	<u>737,143</u>	<u>20,041</u>
Functions/Program Expenses:						
Health & welfare	4,785,970	4,845,032	(59,062)	730,029	711,841	18,188
Increase (decrease) in net position	<u>404,057</u>	<u>241,567</u>	<u>162,490</u>	<u>27,155</u>	<u>25,302</u>	<u>1,853</u>
Net Position - Beginning	2,137,603	1,896,036	241,567	224,284	198,982	25,302
Net Position Beginning - as restated	<u>2,137,603</u>	<u>1,896,036</u>	<u>241,567</u>	<u>224,284</u>	<u>198,982</u>	<u>25,302</u>
Net Position - Ending	<u>\$ 2,541,660</u>	<u>\$ 2,137,603</u>	<u>\$ 404,057</u>	<u>\$ 251,439</u>	<u>\$ 224,284</u>	<u>\$ 27,155</u>

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 \$757,064 which is an increase of \$28,506 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 \$20,805 to \$385,102. The 2023 increase to the General fund balance is attributed largely to an insurance dividend.

**Webster Parish Office of Community Services
Management's Discussion and Analysis (MD&A)
December 31, 2023**

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 lower by over \$185,000 in 2023 compared to prior year and total expenditures for Head Start were down by over \$145,000 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 decreased \$26,794 to \$282,878. While the transportation fares and program revenues collected were down by over \$77,000 compared to amounts recognized in the prior year, expenditures were also down overall by \$7,044. The decrease in revenue is due to a decrease in revenue reimbursed from 5311.

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 \$34,495 while the fund balance in the Head Start program remained unchanged. Total fund balance for these two funds increased \$34,495 to \$86,351. The fund balance for the Family Home Daycare program increased by \$34,495, as a result of a decrease in salary expense, down one staff member. Fund balance remained the same in Head Start Food as result of the program begin on a cost reimbursement basis.

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 remained unchanged, 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 in December 2022.

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 \$27,155 to \$251,439. The federal funding was \$20,951 more than prior year revenues, the current year expenses did not exceed total revenues. Also, expenses only increased by approximately \$18,100 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 was one revision made to the 2023 General fund original budget.

The final actual revenues exceeded budgeted by \$35,936 due to an insurance dividend. The final actual expenditures exceeded the budget by \$24,585 due to capital expenditures.

**Webster Parish Office of Community Services
Management's Discussion and Analysis (MD&A)
December 31, 2023**

CAPITAL ASSETS

Capital Assets At December 31, 2023, the Office of Community Services' governmental activities had \$1,861,327 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 \$86,435, or 5% from last year. The business-type activities net capital assets decreased \$1,203 from the prior year.

	Capital Assets December 31,			
	Governmental Activities		Business-Type Activities	
	2023	2022	2023	2022
Construction in progress	\$ -	\$ 42,681	\$ -	\$ -
Buildings and improvements	1,524,090	1,524,090	-	-
Furniture, equipment & vehicles	1,924,895	2,172,300	36,383	34,467
Leased assets	48,675	15,493	-	-
Intangibles	18,160	18,160	-	-
Total cost of capital net assets	3,515,820	3,772,724	36,383	34,467
Less: accumulated depreciation & amortization	(1,654,493)	(1,997,832)	(14,048)	(10,929)
Net capital assets	<u>\$ 1,861,327</u>	<u>\$ 1,774,892</u>	<u>\$ 22,335</u>	<u>\$ 23,538</u>

Capital asset additions for 2023 included \$75,906 for playground equipment, \$31,351 for a 2022 Ford F250 Truck, and \$136,347 for a 2024 Ford 8 passenger Bus to be used with Head Start. See Note 6 of the Notes to the Financial Statements.

Long Term Debt At December 31, 2023 the Office of Community Services' governmental activities had \$100,761 in long term debt which included \$64,411 in compensated absences, \$36,350 lease liability, and \$- 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' 2024 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 2024, 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, 2023**

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	Statement A TOTAL
ASSETS			
Cash and cash equivalents	\$ 572,645	\$ 228,447	\$ 801,092
Investments	39,635	5,903	45,538
Receivables, net	345,339	-	345,339
Internal balances	395	(395)	-
Prepaid items	18,816	-	18,816
Capital Assets:			
Capital assets, net of depreciation and amortization	1,861,327	22,335	1,883,662
TOTAL ASSETS	2,838,157	256,290	3,094,447
LIABILITIES			
Accounts, salaries and other payables	188,926	3,710	192,636
Unearned revenue	6,810	-	6,810
Long-term liabilities			
Due within one year	16,794	1,141	17,935
Due in more than one year	83,967	-	83,967
TOTAL LIABILITIES	296,497	4,851	301,348
NET POSITION			
Net investment in capital assets	1,824,977	22,335	1,847,312
Restricted for grants	371,962	633	372,595
Unrestricted	344,721	228,471	573,192
TOTAL NET POSITION	\$ 2,541,660	\$ 251,439	\$ 2,793,099

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, 2023

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES SERVICES	OPERATING GRANTS AND CONTRIBUTION	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Primary government						
<i>Governmental Activities</i>						
Health and Welfare	\$ (4,785,970)	\$ 81,030	\$ 4,632,213	\$ (72,727)	\$ -	\$ (72,727)
Total governmental activities	<u>(4,785,970)</u>	<u>81,030</u>	<u>4,632,213</u>	<u>(72,727)</u>	<u>-</u>	<u>(72,727)</u>
<i>Business-type activities</i>						
Health and Welfare	(730,029)	-	744,299	-	14,270	14,270
Total	<u>\$ (5,515,999)</u>	<u>\$ 81,030</u>	<u>\$ 5,376,512</u>	<u>(72,727)</u>	<u>14,270</u>	<u>(58,457)</u>
General revenues:						
Interest and investment earnings				2,311	712	3,023
Miscellaneous				474,473	12,173	486,646
Total general revenues				<u>476,784</u>	<u>12,885</u>	<u>489,669</u>
Change in net position				404,057	27,155	431,212
Net position - beginning				<u>2,137,603</u>	<u>224,284</u>	<u>2,361,887</u>
Net position - ending				<u>\$ 2,541,660</u>	<u>\$ 251,439</u>	<u>\$ 2,793,099</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, 2023**

	GENERAL	HEADSTART	TRANSPORTATION
ASSETS			
Cash and cash equivalents	\$ 261,553	\$ -	\$ 262,562
Investments	39,635	-	-
Receivables	16,196	152,688	28,201
Interfund receivables	71,333	-	840
	388,717	152,688	291,603
TOTAL ASSETS	388,717	152,688	291,603
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries and other payables	1,379	112,592	8,637
Interfund payables	2,236	29,735	-
Unearned revenue	-	5,846	-
Accrued compensated absences	-	4,515	88
	3,615	152,688	8,725
TOTAL LIABILITIES	3,615	152,688	8,725
Fund balances:			
Restricted	-	-	282,878
Unassigned	385,102	-	-
	385,102	-	282,878
TOTAL FUND BALANCES	385,102	-	282,878
TOTAL LIABILITIES AND FUND BALANCES	\$ 388,717	\$ 152,688	\$ 291,603

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

Statement C

<u>FOOD</u>	<u>CSBG</u>	<u>LIHEAP ENERGY</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ 44,514	\$ -	\$ -	\$ 4,016	\$ 572,645
-	-	-	-	39,635
99,802	18,125	30,327	-	345,339
1,396	-	-	-	73,569
<u>145,712</u>	<u>18,125</u>	<u>30,327</u>	<u>4,016</u>	<u>1,031,188</u>
58,858	4,662	2,798	-	188,926
-	13,381	26,539	1,283	73,174
-	-	964	-	6,810
503	82	26	-	5,214
<u>59,361</u>	<u>18,125</u>	<u>30,327</u>	<u>1,283</u>	<u>274,124</u>
86,351	-	-	2,733	371,962
-	-	-	-	385,102
<u>86,351</u>	<u>-</u>	<u>-</u>	<u>2,733</u>	<u>757,064</u>
<u>\$ 145,712</u>	<u>\$ 18,125</u>	<u>\$ 30,327</u>	<u>\$ 4,016</u>	<u>\$ 1,031,188</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, 2023**

		Statement D
Total fund balances - governmental funds	\$	757,064
<p>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.</p>		
Costs of capital assets	\$ 3,515,820	
Accumulated depreciation	<u>(1,654,493)</u>	1,861,327
Prepaid items include purchases of capital assets not yet placed in service		18,816
<p>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.</p>		
Balances at December 31, 2023 are:		
Long-term liabilities		
Compensated absences payable		(59,197)
Leases payable		<u>(36,350)</u>
Net position of governmental activities	\$	<u><u>2,541,660</u></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, 2023**

	GENERAL	HEADSTART	TRANSPORTATION
REVENUES			
Local Sources:			
Interest and investment earnings	\$ 2,311	\$ -	\$ -
Other revenue	96,625	5,505	81,030
Federal Sources	-	2,469,431	303,670
TOTAL REVENUES	98,936	2,474,936	384,700
EXPENDITURES			
Current:			
Health and welfare:			
Personnel	1,164	1,735,426	145,535
Gas, oil & repairs	3,113	23,638	45,958
Office expense	2,473	205,285	10,822
Insurance	1,799	73,648	50,382
Utilities	263	129,322	10,753
Service providers	440	-	-
Food services	-	56,483	-
Other	31,133	244,192	14,105
Capital outlay	31,351	37,065	136,074
Debt service			
Interest	-	821	76
Principal	-	8,929	831
TOTAL EXPENDITURES	71,736	2,514,809	414,536
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	27,200	(39,873)	(29,836)
OTHER FINANCING SOURCES (USES)			
Lease proceeds	-	33,458	3,042
Transfers in	-	6,415	-
Transfers out	(6,395)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(6,395)	39,873	3,042
NET CHANGE IN FUND BALANCES	20,805	-	(26,794)
FUND BALANCES BEGINNING	364,297	-	309,672
FUND BALANCES - ENDING	\$ 385,102	\$ -	\$ 282,878

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

Statement E

<u>FOOD</u>	<u>CSBG</u>	<u>LIHEAP ENERGY</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ -	\$ -	\$ -	\$ -	\$ 2,311
2,682	372	80	-	186,294
<u>987,556</u>	<u>168,767</u>	<u>702,789</u>	<u>-</u>	<u>4,632,213</u>
<u>990,238</u>	<u>169,139</u>	<u>702,869</u>	<u>-</u>	<u>4,820,818</u>
230,426	161,174	48,279	-	2,322,004
141	-	134	-	72,984
8,026	88	3,890	-	230,584
317	-	313	-	126,459
450	2,861	449	-	144,098
619,225	-	634,838	-	1,254,503
88,264	-	-	-	144,747
9,407	5,016	14,733	-	318,586
-	-	766	-	205,256
19	-	19	-	935
<u>208</u>	<u>-</u>	<u>208</u>	<u>-</u>	<u>10,176</u>
<u>956,483</u>	<u>169,139</u>	<u>703,629</u>	<u>-</u>	<u>4,830,332</u>
<u>33,755</u>	<u>-</u>	<u>(760)</u>	<u>-</u>	<u>(9,514)</u>
760	-	760	-	38,020
-	-	-	-	6,415
<u>(20)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,415)</u>
<u>740</u>	<u>-</u>	<u>760</u>	<u>-</u>	<u>38,020</u>
34,495	-	-	-	28,506
<u>51,856</u>	<u>-</u>	<u>-</u>	<u>2,733</u>	<u>728,558</u>
<u>\$ 86,351</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,733</u>	<u>\$ 757,064</u>

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, 2023**

Statement F

Net change in fund balances - total governmental funds \$ 28,506

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	\$	255,364	
Depreciation expense		(210,561)	
Loss on disposal of capital assets		<u>(4,862)</u>	39,941

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 11,010

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 (38,020)

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 (6,589)

Change in net position of governmental activities \$ 404,057

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, 2023

	Statement G
	SECTION 8 VOUCHER
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 228,447
Investments	5,903
Total current assets	234,350
Non-current assets:	
Capital assets, net of accumulated depreciation	22,335
TOTAL ASSETS	256,685
LIABILITIES	
Current Liabilities:	
Accounts, salaries and other payables	3,710
Interfund payables	395
Compensated absences	1,141
Total current liabilities	5,246
NET POSITION	
Investment in capital assets	22,335
Restricted for HAP	633
Unrestricted	228,471
TOTAL NET POSITION	\$ 251,439

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, 2023**

	Statement H
	SECTION 8 VOUCHER
OPERATING REVENUES	
Federal grants	\$ 744,299
Other income	12,173
TOTAL OPERATING REVENUES	756,472
OPERATING EXPENSES	
Administration	100,610
Utilities	450
General	1,714
Depreciation	3,119
Housing assistance payments	624,136
TOTAL OPERATING EXPENSES	730,029
OPERATING INCOME (LOSS)	26,443
NON-OPERATING REVENUES	
Interest income	712
TOTAL NON-OPERATING REVENUES	712
CHANGE IN NET POSITION	27,155
NET POSITION AT BEGINNING OF YEAR	224,284
NET POSITION AT END OF YEAR	\$ 251,439

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, 2023

Statement I

**SECTION 8
VOUCHER**

CASH FLOWS FROM OPERATING ACTIVITIES	
Payments to vendors	\$ (27,608)
Payments to employees	(75,521)
Payments to private landlords and others	(624,136)
Federal grants	744,299
Other receipts	12,173
	29,207
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	29,207
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(1,916)
	(1,916)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(1,916)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest	712
	712
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	712
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	28,003
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	200,444
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 228,447
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	\$ 26,443
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	3,119
Change in assets and liabilities:	
Compensated absences	252
Accounts, salaries and other payables	115
Interfunds	(722)
	(722)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 29,207

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, 2023

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Webster Parish Office of Community Services
Notes to the Financial Statements
December 31, 2023

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, 2023

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, 2023

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
December 31, 2023

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.lampool.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, 2023

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:

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Notes to the Financial Statements
December 31, 2023

- 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

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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, 2023 the following funds reported actual expenditures that exceeded budgeted expenditures:

	Final Budget	Actual	Unfavorable Variance
General	\$ 47,151	\$ 71,736	\$ (24,585)
LIHEAP	662,375	703,629	(41,254)

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 \$801,092 and the bank balance was \$810,626. 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)	\$ 45,538

Investments held at December 31, 2023 consist of \$45,538 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
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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 70 as of December 31, 2023.

Foreign Currency Risk: Not applicable.

NOTE 5 - RECEIVABLES The following is a summary of receivables at December 31, 2023:

Class of Receivables	Governmental Activities						Total
	General	Headstart	Transportation	Food	CSBG	LIHEAP Energy	
Grants	\$ -	\$ 152,683	\$ 28,179	\$ 99,670	\$ 18,125	\$ 30,327	\$ 328,984
Other	16,196	5	22	132	-	-	16,355
Total	\$ 16,196	\$ 152,688	\$ 28,201	\$ 99,802	\$ 18,125	\$ 30,327	\$ 345,339

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 \$9,671.

NOTE 6 - CAPITAL ASSETS The following schedule presents changes in capital assets for governmental activities for the year ended December 31, 2023:

	Balance Beginning	Additions	Deletions	Balance Ending
Capital assets not depreciated				
Construction in progress	\$ 42,681	\$ -	\$ 42,681	\$ -
Capital assets, being depreciated:				
Buildings and improvements	1,524,090	-	-	1,524,090
Furniture, equipment and vehicles	2,172,300	306,519	553,924	1,924,895
Leased assets	15,493	38,020	4,838	48,675
Intangibles	18,160	-	-	18,160
Total	3,772,724	344,539	601,443	3,515,820
Less accumulated depreciation and amortization:				
Buildings and improvements	573,104	51,321	-	624,425
Furniture, equipment and vehicles	1,400,153	147,091	549,062	998,182
Leased assets	6,415	12,149	4,838	13,726
Amortization	18,160	-	-	18,160
Total	1,997,832	210,561	553,900	1,654,493
Governmental Activities, capital assets net	\$ 1,774,892	\$ 133,978	\$ 47,543	\$ 1,861,327

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Notes to the Financial Statements
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The balance of leased assets was increased by \$27,010 and depreciation and amortization expense of \$210,561 was charged to the health and welfare function.

The following schedule presents changes in capital assets for the business-type activities for the year ended December 31, 2023:

	Balance Beginning	Additions	Deletions	Balance Ending
Capital assets, being depreciated:				
Furniture, equipment and vehicles	\$ 34,467	\$ 1,916	\$ -	\$ 36,383
Total	34,467	1,916	-	36,383
Less accumulated depreciation and amortization:				
Furniture, equipment and vehicles	10,929	3,119	-	14,048
Total	10,929	3,119	-	14,048
Business-type activities, capital assets net	\$ 23,538	\$ (1,203)	\$ -	\$ 22,335

Depreciation expense of \$3,119 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, 2023

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, 2023, there were no forfeited non-vested accounts.

The employer contributions by the Office of Community Services for the year ended December 31, 2023 were \$56,306. No employee contributions were made under the retirement plan for fiscal year ended December 31, 2023. The employer has one account payable to the retirement plan at December 31, 2023.

NOTE 8 - LONG-TERM LIABILITIES The following is a summary of the long-term liabilities transactions and balances for the year ended December 31, 2023:

Governmental Activities:

	Compensated			Total
	Absences	Claims Payable	Lease Liability	
Balance, Beginning	\$ 54,926	\$ 369,209	\$ 9,340	\$ 433,475
Additions	73,082	-	38,020	111,102
Deletions	(63,597)	(369,209)	(11,010)	(443,816)
Balance, Ending	64,411	-	36,350	100,761
Amount due within one year	\$ 5,214	\$ -	\$ 11,580	\$ 16,794

The balance of lease liability increased \$27,010 due to additional leased equipment for the 2023 fiscal year. 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
2024	\$ 11,580	\$ 1,143	\$ 12,723
2025	8,897	774	9,671
2026	9,232	439	9,671
2027	4,180	141	4,321
2028	2,461	29	2,490
Total	\$ 36,350	\$ 2,526	\$ 38,876

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

Business-Type Activities:

	Compensated Absences
Balance, Beginning	\$ 889
Additions	2,381
Deletions	2,129
Balance, Ending	1,141
Amount due within one year	\$ 1,141

**Webster Parish Office of Community Services
Notes to the Financial Statements
December 31, 2023**

NOTE 9 - INTERFUND TRANSACTIONS (FFS LEVEL ONLY)

Interfund Receivable/Payables:

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	\$ 71,333	Headstart	\$ 29,735
		CSBG	13,381
		LIHEAP Energy	26,539
		Nonmajor Governmental	1,283
		Section 8	395
Transportation	840	General Fund	840
Food	1,396	General Fund	1,396
	<u>\$ 73,569</u>		<u>\$ 73,569</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>	
Headstart	\$ 6,415	General fund	\$ 6,395
		Food	20
	<u>\$ 6,415</u>		<u>\$ 6,415</u>

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

NOTE 10 - ACCOUNTS, SALARIES AND OTHER PAYABLES The payables at December 31, 2023, are as follows:

	<u>Governmental Activities</u>						<u>Business- Type Activities</u>	<u>Total</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>	
Salaries	\$ -	\$ 68,452	\$ 4,121	\$ 7,969	\$ 4,662	\$ 1,605	\$ 2,262	\$ 89,071
Accounts	1,379	44,140	4,516	50,889	-	1,193	1,448	103,565
Total	<u>\$ 1,379</u>	<u>\$ 112,592</u>	<u>\$ 8,637</u>	<u>\$ 58,858</u>	<u>\$ 4,662</u>	<u>\$ 2,798</u>	<u>\$ 3,710</u>	<u>\$ 192,636</u>

NOTE 11 - LITIGATION AND CLAIMS

Litigation Per legal counsel, the Office of Community Services was not involved in any litigation at December 31, 2023.

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.

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

Webster Parish Office of Community Services
Notes to the Financial Statements
December 31, 2023

which has been reported as a liability due in more than one year on the Statement of Net Position. In 2019, the Office of Community Services paid the interest that had accrued on disallowed costs which released them from their obligation the Department of Health and Human Services. Since the time of the interest payment, there has been no correspondence or action from the Department of Justice and the attorney for the Office of Community Services does not consider there to be a potential claim. Therefore, based on these circumstances, the balance has been written off.

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 at December 31, 2023:

	<u>General Fund</u>	<u>Transportation</u>	<u>Food</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Restricted for:					
Grants	\$ -	\$ 282,878	\$ 86,351	\$ 2,733	\$ 371,962
Unassigned:	385,102	-	-	-	385,102
Total	<u>\$ 385,102</u>	<u>\$ 282,878</u>	<u>\$ 86,351</u>	<u>\$ 2,733</u>	<u>\$ 757,064</u>

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, 2023**

Exhibit 1-1

	BUDGETARY AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Local Sources:				
Interest and investment earnings	\$ -	\$ -	\$ 2,311	\$ 2,311
Other revenue	45,000	63,000	96,625	33,625
TOTAL REVENUES	45,000	63,000	98,936	35,936
EXPENDITURES				
Current:				
Health and welfare:				
Personnel	-	-	1,164	(1,164)
Gas, oil & repairs	600	600	3,113	(2,513)
Office expense	9,800	9,800	2,473	7,327
Insurance	-	-	1,799	(1,799)
Utilities	-	-	263	(263)
Service providers	-	-	440	(440)
Other	5,400	5,400	31,133	(25,733)
Capital outlay	1,200	31,351	31,351	-
TOTAL EXPENDITURES	17,000	47,151	71,736	(24,585)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	28,000	15,849	27,200	11,351
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(6,395)	(6,395)
NET CHANGE IN FUND BALANCES	28,000	15,849	20,805	4,956
FUND BALANCES - BEGINNING	364,297	364,297	364,297	-
FUND BALANCES - ENDING	\$ 392,297	\$ 380,146	\$ 385,102	\$ 4,956

See accompanying notes to budgetary comparison schedules.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

**HEADSTART
Budgetary Comparison Schedule
For the Year Ended December 31, 2023**

Exhibit 1-2

	BUDGETARY AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Local Sources:				
Other revenue	\$ -	\$ -	\$ 5,505	\$ 5,505
Federal Sources	2,566,063	2,566,063	2,469,431	(96,632)
TOTAL REVENUES	2,566,063	2,566,063	2,474,936	(91,127)
EXPENDITURES				
Current:				
Health and welfare:				
Personnel	2,026,450	2,026,450	1,735,426	291,024
Gas, oil & repairs	48,590	48,590	23,638	24,952
Office expense	132,863	132,863	205,285	(72,422)
Insurance	60,611	60,611	73,648	(13,037)
Utilities	116,560	116,560	129,322	(12,762)
Food services	43,680	43,680	56,483	(12,803)
Other	137,309	137,309	244,192	(106,883)
Capital outlay	-	-	37,065	(37,065)
Debt service				
Interest	-	-	821	(821)
Principal	-	-	8,929	(8,929)
TOTAL EXPENDITURES	2,566,063	2,566,063	2,514,809	51,254
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(39,873)	(39,873)
OTHER FINANCING SOURCES (USES)				
Proceeds from long-term debt, net	-	-	33,458	33,458
Transfers in	-	-	6,415	6,415
TOTAL OTHER FINANCING SOURCES (USES)	-	-	39,873	39,873
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, 2023**

Exhibit 1-3

	<u>BUDGETARY AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Local Sources:				
Other revenue	\$ 231,000	\$ 231,000	\$ 81,030	\$ (149,970)
Federal Sources	<u>590,000</u>	<u>590,000</u>	<u>303,670</u>	<u>(286,330)</u>
TOTAL REVENUES	<u>821,000</u>	<u>821,000</u>	<u>384,700</u>	<u>(436,300)</u>
EXPENDITURES				
Current:				
Health and welfare:				
Personnel	332,506	332,506	145,535	186,971
Gas, oil & repairs	106,500	106,500	45,958	60,542
Office expense	48,350	48,350	10,822	37,528
Insurance	68,000	68,000	50,382	17,618
Utilities	17,250	17,250	10,753	6,497
Other	38,500	38,500	14,105	24,395
Capital outlay	-	-	136,074	(136,074)
Debt service				
Interest	-	-	76	(76)
Principal	-	-	831	(831)
TOTAL EXPENDITURES	<u>611,106</u>	<u>611,106</u>	<u>414,536</u>	<u>196,570</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	209,894	209,894	(29,836)	(239,730)
OTHER FINANCING SOURCES (USES)				
Proceeds from long-term debt, net	-	-	3,042	3,042
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>3,042</u>	<u>3,042</u>
NET CHANGE IN FUND BALANCES	209,894	209,894	(26,794)	(236,688)
FUND BALANCES - BEGINNING	<u>309,672</u>	<u>309,672</u>	<u>309,672</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 519,566</u>	<u>\$ 519,566</u>	<u>\$ 282,878</u>	<u>\$ (236,688)</u>

See accompanying notes to budgetary comparison schedules.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

**FOOD
Budgetary Comparison Schedule
For the Year Ended December 31, 2023**

Exhibit 1-4

	<u>BUDGETARY AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Local Sources:				
Other revenue	\$ -	\$ -	\$ 2,682	\$ 2,682
Federal Sources	1,102,180	1,102,180	987,556	(114,624)
TOTAL REVENUES	<u>1,102,180</u>	<u>1,102,180</u>	<u>990,238</u>	<u>(111,942)</u>
EXPENDITURES				
Current:				
Health and welfare:				
Personnel	247,253	247,253	230,426	16,827
Gas, oil & repairs	-	-	141	(141)
Office expense	16,996	16,996	8,026	8,970
Insurance	-	-	317	(317)
Utilities	-	-	450	(450)
Service providers	620,000	620,000	619,225	775
Food services	194,100	194,100	88,264	105,836
Other	19,750	19,750	9,407	10,343
Debt service				
Interest	-	-	19	(19)
Principal	-	-	208	(208)
TOTAL EXPENDITURES	<u>1,098,099</u>	<u>1,098,099</u>	<u>956,483</u>	<u>141,616</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,081	4,081	33,755	29,674
OTHER FINANCING SOURCES (USES)				
Proceeds from long-term debt, net	-	-	760	760
Transfers out	-	-	(20)	(20)
NET CHANGE IN FUND BALANCES	4,081	4,081	34,495	30,414
FUND BALANCES - BEGINNING	<u>51,856</u>	<u>51,856</u>	<u>51,856</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 4,081</u>	<u>\$ 4,081</u>	<u>\$ 86,351</u>	<u>\$ 82,270</u>

See accompanying notes to budgetary comparison schedules.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

**CSBG
Budgetary Comparison Schedule
For the Year Ended December 31, 2023**

Exhibit 1-5

	BUDGETARY AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Local Sources:				
Other revenue	\$ -	\$ -	\$ 372	\$ 372
Federal Sources	202,966	202,966	168,767	(34,199)
TOTAL REVENUES	202,966	202,966	169,139	(33,827)
EXPENDITURES				
Current:				
Health and welfare:				
Personnel	186,011	186,011	161,174	24,837
Office expense	2,747	2,747	88	2,659
Utilities	3,635	3,635	2,861	774
Other	10,573	10,573	5,016	5,557
TOTAL EXPENDITURES	202,966	202,966	169,139	33,827
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES BEGINNING	-	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -

See accompanying notes to budgetary comparison schedules.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

**LIHEAP ENERGY
Budgetary Comparison Schedule
For the Year Ended December 31, 2023**

Exhibit 1-6

	BUDGETARY AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Local Sources:				
Other revenue	\$ -	\$ -	\$ 80	\$ 80
Federal Sources	662,375	662,375	702,789	40,414
TOTAL REVENUES	662,375	662,375	702,869	40,494
EXPENDITURES				
Current:				
Health and welfare:				
Personnel	46,414	46,414	48,279	(1,865)
Gas, oil & repairs	506	506	134	372
Office expense	2,324	2,324	3,890	(1,566)
Insurance	233	233	313	(80)
Utilities	238	238	449	(211)
Service providers	600,618	600,618	634,838	(34,220)
Other	12,042	12,042	14,733	(2,691)
Capital outlay	-	-	766	(766)
Debt service				
Interest	-	-	19	(19)
Principal	-	-	208	(208)
TOTAL EXPENDITURES	662,375	662,375	703,629	(41,254)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(760)	(760)
OTHER FINANCING SOURCES (USES)				
Proceeds from long-term debt, net	-	-	760	760
TOTAL OTHER FINANCING SOURCES (USES)	-	-	760	760
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES BEGINNING	-	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -

See accompanying notes to budgetary comparison schedules.

Webster Parish Office of Community Services

**Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 2023**

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, 2023, 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	\$ 47,151	\$ 71,736	\$ (24,585)
LIHEAP	662,375	703,629	(41,254)

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 the needs of low-income citizens within the parish.

WEBSTER PARISH OFFICE OF COMMUNITY SERVICES

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
December 31, 2023**

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, 2023**

Exhibit 3

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

**Webster Parish Office of Community Services
Schedule of Compensation Paid Board Members
For the Year Ended December 31, 2023**

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, 2023.

- | | |
|------------------|--------------------|
| 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, 2023**

Exhibit 5

Agency Head Name: Melinda Davidson, Executive Director

<u>Purpose</u>	
Salary	\$ 82,010
Benefits-insurance	8,672
Benefits-retirement	7,378
Benefits - Other - Workman's Comp	130
Benefits - Medicare	959
Vehicle rental	597
Per diem	1,856
Reimbursements	25

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	<u>14,871 Housing Choice Vouchers</u>	<u>Subtotal</u>	<u>ELIM</u>	<u>Total</u>
111 Cash - Unrestricted	\$227,814	\$227,814		\$227,814
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted	\$633	\$633		\$633
114 Cash - Tenant Security Deposits				
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$228,447	\$228,447		\$228,447
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	\$9,671	\$9,671		\$9,671
128.1 Allowance for Doubtful Accounts - Fraud	(\$9,671)	(\$9,671)		(\$9,671)
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	\$234,350	\$234,350		\$234,350
161 Land				
162 Buildings				
163 Furniture, Equipment & Machinery - Dwellings				
164 Furniture, Equipment & Machinery - Administration	\$36,383	\$36,383		\$36,383
165 Leasehold Improvements				
166 Accumulated Depreciation	(\$14,048)	(\$14,048)		(\$14,048)
167 Construction in Progress				
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	\$22,335	\$22,335		\$22,335
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	\$22,335	\$22,335		\$22,335
200 Deferred Outflow of Resources				
290 Total Assets and Deferred Outflow of Resources	\$256,685	\$256,685		\$256,685

(continued)

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

311 Bank Overdraft			
312 Accounts Payable <= 90 Days	\$1,448	\$1,448	\$1,448
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable	\$2,262	\$2,262	\$2,262
322 Accrued Compensated Absences - Current Portion	\$1,141	\$1,141	\$1,141
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 Borrowings			
345 Other Current Liabilities	\$395	\$395	\$395
346 Accrued Liabilities - Other			
347 Inter Program - Due To			
348 Loan Liability - Current			
310 Total Current Liabilities	\$5,246	\$5,246	\$5,246
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			
352 Long-term Debt, Net of Current - Operating Borrowings			
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	\$5,246	\$5,246	\$5,246
400 Deferred Inflow of Resources			
508.4 Net Investment in Capital Assets	\$22,335	\$22,335	\$22,335
511.4 Restricted Net Position	\$633	\$633	\$633
512.4 Unrestricted Net Position	\$228,471	\$228,471	\$228,471
513 Total Equity - Net Assets / Position	\$251,439	\$251,439	\$251,439
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$256,685	\$256,685	\$256,685

(continued)

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	<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	\$744,299	\$744,299		\$744,299
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	\$712	\$712		\$712
71200 Mortgage Interest Income				
71300 Proceeds from Disposition of Assets Held for Sale				
71310 Cost of Sale of Assets				
71400 Fraud Recovery	\$12,072	\$12,072		\$12,072
71500 Other Revenue	\$101	\$101		\$101
71600 Gain or Loss on Sale of Capital Assets				
72000 Investment Income - Restricted	\$0	\$0		\$0
70000 Total Revenue	\$757,184	\$757,184		\$757,184
91100 Administrative Salaries	69,316	\$69,316		\$69,316
91200 Auditing Fees	\$1,987	\$1,987		\$1,987
91300 Management Fee	\$0	\$0		\$0
91310 Book-keeping Fee				
91400 Advertising and Marketing				
91500 Employee Benefit contributions - Administrative	\$7,539	\$7,539		\$7,539
91600 Office Expenses	\$10,518	\$10,518		\$10,518
91700 Legal Expense				
91800 Travel	\$5,554	\$5,554		\$5,554
91810 Allocated Overhead				
91900 Other	\$1,758	\$1,758		\$1,758
91000 Total Operating - Administrative	\$96,672	\$96,672		\$96,672
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: 12/31/2023

93100 Water			
93200 Electricity	\$450	\$450	\$450
93300 Gas			
93400 Fuel			
93500 Labor			
93600 Sewer			
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	\$450	\$450	\$450
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	\$128	\$128	\$128
96130 Workmen's Compensation	\$499	\$499	\$499
96140 All Other Insurance	\$1,068	\$1,068	\$1,068
96100 Total insurance Premiums	\$1,695	\$1,695	\$1,695
96200 Other General Expenses			
96210 Compensated Absences	\$252	\$252	\$252
96300 Payments in Lieu of Taxes			
96400 Bad debt - Tenant Rents			
96500 Bad debt - Mortgages			
96600 Bad debt - Other	\$3,938	\$3,938	\$3,938
96800 Severance Expense			
96000 Total Other General Expenses	\$4,190	\$4,190	\$4,190
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	\$108,892	\$108,892	\$108,892
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: 12/31/2023

97100	Extraordinary Maintenance			
97200	Casualty Losses - Non-capitalized			
97300	Housing Assistance Payments	\$624,136	\$624,136	\$624,136
97350	HAP Portability-In			
97400	Depreciation Expense	\$3,119	\$3,119	\$3,119
97500	Fraud Losses			
97600	Capital Outlays - Governmental Funds			
97700	Debt Principal Payment - Governmental Funds			
97800	Dwelling Units Rent Expense			
90000	Total Expenses	\$730,029	\$730,029	\$730,029
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	\$27,155	\$27,155	\$27,155
11020	Required Annual Debt Principal Payments	\$0	\$0	\$0
11030	Beginning Equity	\$224,284	\$224,284	\$224,284
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	\$250,806	\$250,806	\$250,806
11180	Housing Assistance Payments Equity	\$633	\$633	\$633
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



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Ernest L. Allen, CPA
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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, 2023, 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 28, 2024.

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

Monroe, Louisiana
June 28, 2024



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, 2023. 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, 2023.

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 an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2023-001. 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

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 deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001 to be a significant deficiency.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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

Monroe, Louisiana
June 28, 2024

**Webster Parish Office of Community Services
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023**

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	FY2022 & FY 2023	\$ 767,334	
Child and Adult Care Food Program – Head Start Food Service		FY2022 & FY 2023	<u>220,222</u>	
Total Child and Adult Care Food Program				<u>\$ 987,556</u>
Total U. S. Department of Agriculture				987,556
United States Department of Housing and Urban Development				
Direct Programs:				
Section 8 Housing Choice Vouchers Cluster	14.871	LA213		744,299
United States Department of Transportation				
Passed Through Webster Parish Police Jury				
FTA Section 5311	20.509	LA-2020-007		303,670
U. S. Department of Health and Human Services				
Direct programs:				
Head Start Cluster				
Head Start	93.600	06CH01218901	2,454,276	
COVID-19 Head Start		06HE00038101C6	<u>15,155</u>	2,469,431
Passed Through Louisiana Office of Workforce Development:				
Community Services Block Grant (477 Cluster)				
Community Services Block Grant	93.569	2020P0012		168,767
Passed Through Louisiana Housing Corporation:				
Low Income Home Energy Assistance	93.568	FY2022 & FY 2023		702,789
Total Department of Health and Human Services				<u>3,340,987</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u><u>\$ 5,376,512</u></u>

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, 2023

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, 2023.

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	\$ 2,469,431
Transportation	303,670
Food	987,556
CSBG	168,767
LIHEAP Energy	702,789
Total governmental funds	4,632,213
Business-Type Activities	
Section 8 Voucher	744,299
Total	\$ 5,376,512

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, 2023**

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 one compliance audit finding which the auditor is required to report under Uniform Guidance.
- vii. The major federal programs are:

Low-Income Home Energy Assistance	AL#93.568
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, 2023**

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

Reference # and Title: **2023-001** **Head Start Reporting**

Entity-wide or program/department specific: This finding relates to the Head Start grant program AL#93.600 for the federal award year 2023 received directly from the U. S. Department of Health and Human Services.

Criteria or specific requirement: SF-429 Real Property Status Report form is to be filed annually based upon the end of the budget period. The annual SF-429 is required for all grantees and must indicate whether the grantee has reportable real property.

Condition found: While testing the Head Start federal program, it was noted that the SF-429 had not been filed.

Context: When reviewing the budget period, the grant that ended during the fiscal year was 06CH012189, which ended on July 31, 2023. In talking with the Program Director, she stated that she tried to file the submission, but the federal government didn't have it out there available. However, she was attempting to complete the SF-429 in June and not after or at the budget period of July.

Cause: Required submission of the SF-429 was incorrectly attempted by the Program Director.

Effect: The program controls over reporting are weakened.

Recommendation to prevent future occurrences: The program director should ensure reports are submitted timely based on applicable grant ending date.

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

View of responsible official: We attempted to file this report in June, it was not available at that time, it was available later in the year. We have added this task to our to do calendar for when Head Start Program ends.

**Webster Parish Office of Community Services
Status of Prior Year Findings and Questioned Costs
For the Year Ended December 31, 2023**

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.

Condition: 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 cancelation which had already been paid for and requested resulted in an overpayment of \$6,937. Total questioned costs were \$50,836.

Corrective action taken: All employees paid by cost allocation will be charged to the programs based on time sheets, this was fully implemented June 15, 2022. This was implemented and will continue to be reviewed to make sure it is done correctly. This finding is considered cleared.

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.

Condition: 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.

Corrective action taken: Provider files will be reviewed to ensure that files are complete and enrollment forms should be obtained for those not located. This was implemented and will continue to be reviewed to make all files complete and enrollment forms are obtained. This finding is considered cleared.

OTHER INFORMATION

Webster Parish Office of Community Services



Webster Parish Police Jury
OFFICE OF COMMUNITY SERVICES

Post Office Box 876
Minden, Louisiana 71058-0876
Phone 318-377-7022
TDD 1-800-846-5277
Fax 318-377-2870
wpcs1@wpcs.org

June 25, 2024

Corrective Action Plan for 2023 Audit

SF-429 filed late:

We attempted to file this report in June, it was not available at that time, it was available later in the year. We have added this task to our to do calendar for when Head Start Program ends.

Notes to findings 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.

This was implemented, and will continue to be reviewed to make sure it is done correctly.

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.

This was implemented, and will continue to be reviewed to make all files are complete and enrollment forms are obtained


Melinda A. Davidson
Executive Director

AGREED-UPON PROCEDURES



ALLEN, GREEN & WILLIAMSON, LLP

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Ernest L. Allen, CPA
(Retired) 1963 - 2000

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, 2023. 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 has 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, 2023. 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, purchase 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. **Prevention of 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: No exceptions were noted as a result of applying the agreed upon procedures.

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:
- v. 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.
 - vi. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
 - vii. 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).
 - viii. 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

Monroe, Louisiana
June 28, 2024