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**Bossier Office of Community Services, Inc.
Bossier City, Louisiana**

**Financial statements
With Auditors' Report**

For the Years Ended December 31, 1999 and 1998

In accordance with the provisions of state law, this report is a public document. A copy of this report is being furnished to the Board of Supervisors of Bossier Parish and the Board of Commissioners of Bossier City. The Board of Supervisors and the Board of Commissioners are authorized to disseminate this report to the public. This report is being disseminated to the public through the parish clerk of court.

Release Date JUL 19 2000

Bossier Office of Community Services, Inc.
Bossier City, Louisiana

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Independent Auditors' Report

To the Board of Directors
Bossier Office of Community Services, Inc.
Bossier City, Louisiana

We have audited the accompanying statements of financial position of the Bossier Office of Community Services, Inc., as of December 31, 1999 and 1998, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Bossier Office of Community Services, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

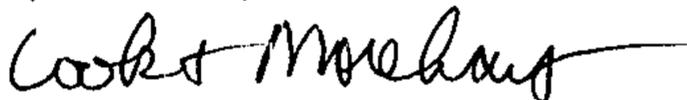
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bossier Office of Community Services, Inc. as of December 31, 1999 and 1998, and the changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 19, 2000 on our consideration of Bossier Office of Community Services, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Bossier Office of Community Services, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The accompanying supplemental schedules shown on pages 13-14, are presented for the purpose of additional analysis and are not a required part of the financial statements of Bossier Office of Community Services, Inc. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

The accompanying supplemental schedules, listed as "Supplemental Information Schedules Prepared For Grants and Contracts Analysis" in the table of contents and shown on pages 16-24 are presented for the purpose of providing various funding sources of Bossier Office of Community Services, Inc. additional individual grant and contract analysis and are not a required part of the financial statements. The information is prepared on a prescribed basis of the various funding sources of Bossier Office of Community Services, Inc., and certain schedules are for periods other than the organization's fiscal year. These schedules are not presented in accordance with generally accepted accounting principles. Accordingly, the schedules mentioned previously on pages 16-24 are not intended to present financial position and results of operations in conformity with generally accepted accounting principles. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and in our opinion are fairly stated on the basis of accounting practices prescribed by the various funding sources.



Cook & Morehart
Certified Public Accountants
May 19, 2000

Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Statements of Financial Position
 December 31, 1999 and 1998

Assets

	1999	1998
Current assets:		
Cash	\$ 266,761	\$ 245,780
Grant receivables	290,725	231,951
Account receivable-other	29,566	20,398
Due from other funds	116,037	95,506
Total current assets	703,089	593,635
Property and equipment:		
Property and equipment	1,516,222	1,059,793
Accumulated depreciation	(651,394)	(540,827)
Net property and equipment	864,828	518,966
Total Assets	\$ 1,567,917	\$ 1,112,601
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 47,991	\$ 86,241
Accrued liabilities	67,987	66,342
Due to other funds	116,037	95,506
Other Liabilities	10,165	26,700
Refundable advances	148,883	81,169
Total current liabilities	391,063	355,958
Net assets:		
Unrestricted:		
Operating	99,300	76,316
Designated for specific programs	212,726	161,361
Fixed assets	864,828	518,966
Total net assets	1,176,854	756,643
Total liabilities and Net Assets	\$ 1,567,917	\$ 1,112,601

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

Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Statements of Activities
 For the Years Ended December 31, 1999 and 1998

Revenues and Other Support:	Unrestricted	
	1999	1998
Contractual revenue - grants	\$ 4,269,841	\$ 3,593,750
Miscellaneous revenues	254,748	180,710
Total revenues and other support	4,524,589	3,774,460
Expenses:		
Head start program	1,779,204	1,443,643
Early head start program	159,761	
Child nutrition	222,322	216,292
Community services	208,813	218,583
Transit services	127,657	100,899
Family day care home	304,459	316,928
Home energy assistance	185,534	379,885
Weatherization assistance	167,660	206,948
Summer child care	199,022	203,670
School lunch program	31,543	
Youth Shelter	710,042	440,345
Commodities distribution	7,084	5,392
General services	1,277	7,524
Total expenses	4,104,378	3,540,109
Changes in net assets	420,211	234,351
Net assets, beginning of year	756,643	522,292
Net assets, end of year	\$ 1,176,854	\$ 756,643

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

Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Statements of Cash Flows
 For the Years Ended December 31, 1999 and 1998

Operating Activities	1999	1998
<i>Change in net assets</i>	\$ 420,211	\$ 234,351
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	112,072	76,378
(Increase) decrease in operating assets:		
Grant receivables	(58,774)	(83,510)
Other receivables	(9,168)	(15,230)
Increase (decrease) in operating liabilities:		
Accounts payable	(38,250)	32,886
Accrued liabilities	1,645	14,869
Other liabilities	(16,535)	26,700
Refundable advances	67,714	44,025
Net cash provided by operating activities	478,915	330,469
 Investing Activities		
Payments for property and equipment	(457,934)	(157,242)
Net cash used in investing activities	(457,934)	(157,242)
 Net increase (decrease) in cash	20,981	173,227
 Cash as of beginning of year	245,780	72,553
 Cash as of end of year	\$ 266,761	\$ 245,780

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

Bossier Office of Community Services, Inc.
Bossier City, Louisiana
Notes to Financial Statements
December 31, 1999 and 1998

(1) Summary of Significant Accounting Policies

A. Nature of Activities

The Bossier Office of Community Services, Inc., (BOCS) is a private nonprofit corporation organized under the laws of the State of Louisiana. BOCS is governed by a Board of Directors consisting of members from Bossier Parish. These members receive no per diem or other compensation for their services.

In May 1996, the Bossier Parish Police Jury voted to relinquish their authority as governing board of BOCS and allow BOCS to become a private non-profit organization, effective January 1, 1998. Therefore, in previous years, BOCS was included as a component unit of the Police Jury but is now reported as an independent organization incorporated under the laws of the State of Louisiana as a private non-profit organization.

The Bossier Office of Community Services, Inc., (BOCS) operates as a community action agency administering various federal and state programs designed to fulfill responsibilities and provide assistance to the poor, disadvantaged and unemployed in Bossier Parish. The following programs, with their approximate percentage of revenues indicated, are administered by BOCS:

Head Start Program (44%) – Provides comprehensive early child development for disadvantaged and handicapped preschool children and their families. Financing is provided through federal funds from the Department of Health and Human Services and federal funds passed through Caddo Community Action Agency for training and technical assistance.

Early Head Start Program (7%) – Provides for a program to enhance children's physical, social, emotional and cognitive development; to enable parents to be better caregivers of and teachers to their children; and to help parents meet their own goals, including that of economic independence.

Child Nutrition (5%) – Provides a food service program in coordination with the Head Start and Early Head Start Program. Funding is provided by federal funds passed through the State of Louisiana, Department of Education.

Community Services (5%) – Provides assistance to the poor, disadvantaged and unemployed through housing services, community projects, nutrition services, emergency assistance, employment services, transportation services, and other services. Financing is provided by federal funds passed through the State of Louisiana, Department of Labor.

Transit Services (3%) – Provides transportation services to the citizens in the nonurbanized and urban areas of Bossier Parish. Financing is provided through federal funds passed through the State of Louisiana, Department of Transportation and Development, federal funds passed through the State of Louisiana, Department of Social Services, matching funds from the State of Louisiana and the Bossier Parish Police Jury, transit fares and other miscellaneous revenues.

(Continued)

Bossier Office of Community Services, Inc.
Bossier City, Louisiana
Notes to Financial Statements
December 31, 1999 and 1998
(Continued)

Family Day Care Home (7%) – Operates a food service program for children in private nonprofit centers of approximately 160 homes. Financing is provided by federal funds passed through the State of Louisiana, Department of Education.

Home Energy Assistance (4%) – Provides assistance to low income households in offsetting the burden of high energy costs. Financing is provided by federal funds passed through the State of Louisiana, Department of Social Services.

Weatherization Assistance (4%) – Weatherizes (insulates) the dwellings of low-income persons, particularly the elderly and handicapped in order to conserve needed energy and aid those persons least able to afford higher utility costs. Financing is provided by federal funds passed through the State of Louisiana, Department of Social Services.

Summer Child Care (4%) – Provides quality child care during the summer months to children meeting specified criteria. Funding is provided by federal funds passed through the State of Louisiana, Department of Social Services.

School Lunch (1%) – Provides a food service program in coordination with the Johnny Gray Jones Youth Shelter. Funding is provided by federal funds passed through the State of Louisiana, Department of Education.

Johnny Gray Jones Youth Shelter (17%) – Accounts for the maintenance and operation of a regional youth shelter which provides a temporary facility for juvenile status offenders until their disposition can be decided. Funding is provided by state funds from the Department of Public Safety and Corrections and various other revenues.

Commodities Distribution (.15%) – Provides distribution of USDA donated commodities to eligible persons in the community. Funding is provided by federal funds passed through the State of Louisiana, Department of Agriculture and Forestry.

B. Basis of Accounting

The financial statements of BOCS have been prepared on the accrual basis of accounting.

C. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

(Continued)

Bossier Office of Community Services, Inc.
Bossier City, Louisiana
Notes to Financial Statements
December 31, 1999 and 1998
(Continued)

D. Income Tax Status

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

E. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

F. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, BOCS considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

G. Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of each asset. The Federal Government has a reversionary interest in property purchased with federal funds. Its disposition as well as the ownership of any proceeds therefrom is subject to federal regulations. BOCS has adopted a policy to capitalize all items with a unit cost of \$500 or greater.

H. Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contractual grant revenue is reported as unrestricted support due to the restrictions placed on those funds by the funding sources being met in the same reporting period as the revenue is earned.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

(Continued)

Bossier Office of Community Services, Inc.
Bossier City, Louisiana
Notes to Financial Statements
December 31, 1999 and 1998
(Continued)

I. Pension Plan

Employees of BOCS are members of the social security system. Effective January 1, 1999, BOCS implemented a simple IRA plan for its employees.

J. Expense Allocation

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

(2) Concentrations of Credit Risk

Financial instruments that potentially subject BOCS to concentrations of credit risk consist principally of temporary cash investments and grant receivables.

Concentrations of credit risk with respect to grant receivables are limited due to these amounts being due from governmental agencies under contractual terms. As of December 31, 1999 and 1998, BOCS had no significant concentrations of credit risk in relation to grant receivables.

BOCS maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. At December 31, 1999, total cash balances held at financial institutions was \$346,047. Of this amount, \$171,468 was insured by FDIC and the remaining amount of \$174,579 was secured by the bank as pledged securities. At December 31, 1998 total cash balances held at financial institutions was \$330,724. Of this amount, \$152,344 was insured by the FDIC and the remaining amount was not secured.

(3) Grant Receivables

Various funding sources provide reimbursement of allowable costs under contracts or agreements. These balances represent amounts due from funding sources at December 31, 1999 and 1998, but received after those dates.

(Continued)

Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Notes to Financial Statements
 December 31, 1999 and 1998
 (Continued)

(4) Property and Equipment

Property and equipment consisted of the following at December 31, 1999:

	<u>Estimated Depreciable Life</u>	<u>Purchased With Federal Funds</u>	<u>Purchased With Non-Federal Funds</u>	<u>Total</u>
Buildings	20-30 years	\$ 644,209	\$ 22,200	\$ 666,409
Land		32,166	-	32,166
Furniture and equipment	5-10 years	134,884	40,571	175,455
Vehicles	5 years	589,040	53,152	642,192
Accumulated depreciation		(569,774)	(81,620)	(651,394)
Net investment in property and equipment		<u>\$ 830,525</u>	<u>\$ 34,303</u>	<u>\$ 864,828</u>

Depreciation expense for the year ended December 31, 1999 was \$112,072.

Property and equipment consisted of the following at December 31, 1998:

	<u>Estimated Depreciable Life</u>	<u>Purchased With Federal Funds</u>	<u>Purchased With Non-Federal Funds</u>	<u>Total</u>
Buildings	20-30 years	\$ 388,953	\$ 22,200	\$ 411,153
Land		13,326	-	13,326
Furniture and equipment	5-10 years	64,296	40,571	104,867
Vehicles	5 years	477,295	53,152	530,447
Accumulated depreciation		(465,283)	(75,544)	(540,827)
Net investment in property and equipment		<u>\$ 478,587</u>	<u>\$ 40,379</u>	<u>\$ 518,966</u>

Depreciation expense for the year ended December 31, 1998 was \$76,378.

(Continued)

Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Notes to Financial Statements
 December 31, 1999 and 1998
 (Continued)

(5) Due To and From Other Funds

The following schedule represents amounts due to and due from other funds at December 31, 1999 and 1998:

<u>Fund</u>	<u>1999</u>		<u>1998</u>	
	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Unrestricted Fund	\$ 75,475	\$ -	\$ 62,993	\$ 12,900
Restricted Funds:				
Head Start - due from Child and Adult Care Food program	31,113	-	6,381	-
Early Head Start	-	1,234	-	1,663
Child and Adult Care Food	3,871	31,113	-	8,035
Community Services Block Grant	-	41,425	-	19,010
Transit System	-	6,500	-	11,000
Family Day Care Home	-	10,000	3,770	-
Low-Income Home Energy Assistance	-	2,650	-	27,068
Weatherization	-	1,300	7,808	-
Summer Child Care	-	16,237	1,654	-
Johnny Gray Jones -- School Lunch	5,578	-	-	-
Johnny Gray Jones Youth Shelter	-	5,578	12,900	15,830
	<u>\$ 116,037</u>	<u>\$ 116,037</u>	<u>\$ 95,506</u>	<u>\$ 95,506</u>

(6) Accrued Liabilities

At December 31, 1999 and 1998, accrued liabilities consisted of the following:

	<u>1999</u>	<u>1998</u>
Accrued payroll	\$ 36,550	\$ 20,260
Accrued leave	18,780	36,428
Payroll taxes payable	12,657	9,654
	<u>\$ 67,987</u>	<u>\$ 66,342</u>

(7) Refundable Advances

BOCS records federal funds received in excess of expenditures as refundable advances until they are expended for the purpose of the contract or until they are returned to the appropriate funding source.

(Continued)

Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Notes to Financial Statements
 December 31, 1999 and 1998
 (Continued)

(8) Designated Net Assets

The designated fund balance at December 31, 1999 consisted of \$45,000 that is designated for use within the Transit Services Program, \$140,661 designated for the Johnny Gray Jones Youth Shelter Program, and \$27,065 that is designated for use within the School Lunch Program. The designated fund balance at December 31, 1998 consisted of \$24,998 that is designated for use within the Transit Services Program and \$136,363 designated for use within the Johnny Gray Jones Youth Shelter Program.

(9) Contractual Revenue – Grants

During the years ended December 31, 1999 and 1998, BOCS received contractual revenue from federal and state grants in the amount of \$4,269,841 and \$3,593,750, respectively. The continued existence of these funds is based on annual contract renewals with various funding sources.

(10) Leases

BOCS leases certain buildings and equipment under operating leases. Rental costs on those leases for the years ended December 31, 1999 and 1998 were \$19,835 and \$13,945, respectively. Those leases having initial or remaining non-cancelable terms in excess of one year are as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Amount</u>
2000	<u>\$ 3,425</u>

(11) Commodities Distribution

The expenses shown as commodities distribution represent certain costs to distribute the commodities. The value of the commodities distributed during January 1, 1999 to December 31, 1999 was approximately \$38,478. The value of the commodities distributed during January 1, 1998 to December 31, 1998 was approximately \$24,866. The value of the commodities distributed is not reflected in the accompanying financial statements.

(12) Johnny Gray Jones Youth Shelter Operations

Effective January, 1998 the operations of the Johnny Gray Jones Youth Shelter was transferred from the Bossier Parish Police Jury to BOCS.

(13) Retirement Plan

During the year ended December 31, 1999, BOCS entered into a Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) under Section 408(p) of the Internal Revenue Code. The plan covers full-time employees of BOCS. BOCS contributes 2% of gross salaries for qualified employees to the plan. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. Plan expenses were \$25,437 for the year ended December 31, 1999.

Bossier Offices of Community Services, Inc.
Bossier City, Louisiana
Combining Schedule of Financial Position
December 31, 1999

	Head Start Program	Early Head Start Program	Child Nutrition	Community Services	Family		Weatherization Assistance	Summer Child Care	Youth Shelter	School Lunch	Commodities Distribution	General Services	Total
					Day Care Home	Energy Assistance							
Assets													
Cash	\$ 24,078	\$ 563	\$ 142	\$ 29,187	\$ 15,318	\$ 4,104	\$ 3,718	\$ 15,466	\$ 107,553	\$ 7,714	\$ (1,023)	\$ 58,239	\$ 266,761
Grant receivables	115,364	12,412	16,061	27,078	20,392				53,410	5,297		1,660	290,725
Other receivables				25	7,971	180			8,476	8,476		617	29,566
Due from other funds	31,113		3,871							5,578		75,475	116,037
Total current assets	170,555	12,975	20,074	56,290	43,681	4,284	3,718	15,466	160,963	27,065	(1,023)	135,991	703,089
Property and equipment	1,102,027	167,376		5,757	2,102	1,645	5,912		104,073			11,850	1,516,222
Accumulated depreciation	(456,695)	(7,427)		(2,410)	(1,431)	(1,426)	(5,912)		(71,595)			(10,025)	(651,394)
Net property and equipment	645,332	159,949		3,347	671	219			32,478			1,825	864,828
Total Assets	\$ 815,887	\$ 172,924	\$ 20,074	\$ 59,637	\$ 44,352	\$ 4,503	\$ 3,718	\$ 15,466	\$ 193,441	\$ 27,065	\$ (1,023)	\$ 137,816	\$ 1,567,917
Liabilities and Net Assets													
Current liabilities:													
Accounts payable	\$	\$ 11,766	\$ 7,192	\$ 6,322	\$ 20,181	\$ 2,261	\$ 30	\$	\$ 203	\$	\$	\$	\$ 47,991
Accrued liabilities	31,212		2,666	2,332	1,514	690	859		14,521			12,658	67,987
Due to other funds		1,234	31,113	41,425	10,000	2,650	1,300	16,237	5,578				116,037
Other Liabilities					9,024	1,141							10,165
Refundable advance	139,343			6,211	2,941	388							148,883
Total current liabilities	170,555	13,000	40,971	56,290	43,681	5,601	3,718	16,237	20,302			12,658	391,063
Net Assets:													
Unrestricted:													
Operating			(25)	(20,897)		(1,317)		(771)			(1,023)	123,333	99,300
Designated for specific programs									140,661	27,065		1,825	212,726
Fixed assets	645,332	159,949		3,347	671	219			32,478				864,828
Total net assets	645,332	159,924	(20,897)	3,347	671	(1,098)		(771)	173,139	27,065	(1,023)	125,158	1,176,854
Total Liabilities and Net Assets	\$ 815,887	\$ 172,924	\$ 20,074	\$ 59,637	\$ 44,352	\$ 4,503	\$ 3,718	\$ 15,466	\$ 193,441	\$ 27,065	\$ (1,023)	\$ 137,816	\$ 1,567,917

Bossier Offices of Community Services, Inc.
 Bossier City, Louisiana
 Combining Schedule of Activities
 For the Year Ended December 31, 1999

	Head Start Program	Early Head Start Program	Child Nutrition	Community Services	Transit Services	Family Day Care Home	Home Energy Assistance	Weatherization Assistance	Summer Child Care	School Lunch	Youth Shelter	Commodities Distribution	General Services	Total
Revenues and Other Support:														
Contractual revenue-grants	\$ 1,991,624	\$ 319,685	\$ 216,400	\$ 209,866	\$ 117,959	\$ 304,199	\$ 183,888	\$ 167,660	\$ 198,251	\$ 25,650	\$ 537,716	\$ 6,944	\$	\$ 4,260,841
Miscellaneous revenues				129	18,677					32,958	171,138		31,846	254,748
Total revenues and other support	1,991,624	319,685	216,400	209,995	136,635	304,199	183,888	167,660	198,251	58,608	708,854	6,944	31,846	4,524,589
Expenses:														
Salaries	888,190	42,328	111,609	120,359	62,339	31,632	10,155	32,182	132,518		394,223	3,456	629	1,830,620
Fringe Benefits	275,626	7,130	43,772	30,572	23,281	9,515	2,669	10,763	34,509	508	105,852	391	59	544,647
Travel	47,805	7,416		4,889	1,349	2,673	621		20		1,288			66,161
Equipment and maintenance		7,899	34	7,061	676	4,036		467	342		4,064			24,112
Occupancy	81,413	1,711	986	2,382	1,438	1,791			5,044		26,879			122,111
Telephone	17,556	1,895		4,938	1,405	685		2,115	833		9,585			39,013
Insurance	45,283	18,770		4,580				1,518			11,059			81,210
Vehicle Operation	9,303			5,439	21,956			1,518	7,041		894			46,151
Supplies and postage	114,387	8,705	769	5,999	1,092	2,826	313	32,570	2,827	219	9,895	238		179,840
Professional services	54,224		1,250	1,791		2,950	2,550	55,771	1,500		7,655	1,979		129,670
Food and related supplies	73,354	43,149	44,452			246,447			9,921	30,816	103,339			551,478
Miscellaneous	84,758	13,331	19,450	13,197	3,097	1,644	1,042	30,756	4,467		29,823	1,019		202,584
Client assistance payments				6,854			167,855							174,709
Depreciation	86,205	7,427		752	11,024	260	329				5,486		589	112,072
Total expenses	1,779,204	159,761	222,322	208,813	127,657	304,459	185,534	167,660	199,022	31,543	710,042	7,084	1,277	4,104,378
Change in net assets	202,420	159,924	(5,922)	1,182	8,978	(260)	(1,646)		(771)	27,065	(1,188)	(140)	30,569	420,211
Net assets, as of beginning of year	442,912		(14,975)	2,165	57,029	931	548				174,327	(883)	94,589	756,643
Transfers														
Net assets, as of end of year	\$ 645,332	\$ 159,924	\$ (20,897)	\$ 3,347	\$ 66,007	\$ 671	\$ (1,098)	\$	\$ (771)	\$ 27,065	\$ 173,139	\$ (1,023)	\$ 125,158	\$ 1,176,854

**Supplemental Schedules Prepared for
Grants and Contracts Analysis**

Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Head Start Grant No. 06CH0190/17
 U.S. Department of Health and Human Services
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Contract Period: February 1, 1999 to January 31, 2000

	Budget	Actual	COB Balances Current Year
Revenues			
Department of Health & Human Services	\$ 1,906,655	\$ 1,906,655	
Grantee's contribution	476,664	463,257	
Training and technical assistance fund		17,246	
Total revenue	2,383,319	2,387,158	
Expenditures:			
Head Start program			
Personnel	1,050,089	904,043	\$ 146,046
Fringe benefits	404,960	292,467	112,493
Travel	40,000	45,341	(5,341)
Equipment	40,000	39,614	386
Supplies	95,000	70,146	24,854
Contractual	63,700	68,796	(5,096)
Facilities/construction	97,080	79,468	17,612
Other	115,826	335,908	(220,082)
	1,906,655	1,835,783	70,872
Training and technical assistance			
Personnel		1,222	
Fringe Benefits		322	
Training		8,900	
Other		6,802	
		17,246	
Grantee's share	476,664	463,257	
Total all expenditures	\$ 2,383,319	2,316,286	
Revenue over (under) expenditures		\$ 70,872	
Fund balance, beginning February 1, 1999		137,381	
Reprogrammed from grant #06CH0190/16		(137,080)	
Fund balance, ending January 31, 2000		\$ 71,173	

Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Early Head Start Grant No. 06YC0551/01
 U.S. Department of Health and Human Services
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Contract Period: September 1, 1998 to August 31, 1999

	Budget	Actual	COB Balances Current Year
Revenues			
Department of Health & Human Services	\$ 238,000	\$ 238,000	
Grantee's contribution	59,500	59,500	
Total revenue	<u>297,500</u>	<u>297,500</u>	
Expenditures:			
Personnel	5,040	5,815	\$ (775)
Fringe benefits	784	562	222
Travel	1,750	4,219	(2,469)
Equipment	159,629	149,726	9,903
Supplies	42,000	24,948	17,052
Other	28,797	52,730	(23,933)
	<u>238,000</u>	<u>238,000</u>	
Non-federal expenditures		24	
Grantee's share	<u>59,500</u>	<u>59,500</u>	
Total all expenditures	<u>\$ 297,500</u>	<u>297,524</u>	
Revenue over (under) expenditures		\$ (24)	
Fund balance, beginning September 1, 1998			
Fund balance, ending August 31, 1999		<u>\$ (24)</u>	

Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Child and Adult Care Food Program
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 For the Contract Period: October 1, 1998 to September 30, 1999

Revenue

Contract revenue	\$	208,083
Contract revenue audit reimbursement		1,250
		209,333
Total revenue		209,333

Expenditures:

Salaries		103,378
Fringe benefits		44,691
Travel		1,428
Nonfood supplies		8,325
Other		18,973
Audit		1,250
Food service cost		31,288
		209,333
Total expenditures		209,333

Excess revenue (expenditures)

Fund balance, October 1, 1998

Fund balance, September 30, 1999

\$

Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Community Services Block Grant
 Department of Labor
 Contract No. 99N0033
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Contract Period: January 1, 1999 to December 31, 1999

	Budget	Actual	Actual (Over) Under Budget
Revenues:			
Contract revenue	\$ 230,290	\$ 216,078	
Total revenue	230,290	216,078	
Expenditures:			
Administration			
Salaries	79,640	71,638	\$ 8,002
Fringe benefits	17,505	15,486	2,019
Travel	4,400	4,329	71
Equipment purchases	2,000	1,934	66
Other support costs	18,000	15,300	2,700
Total administration	121,545	108,687	12,858
Program Activities:			
Salaries	48,927	48,721	206
Fringe benefits	16,371	15,086	1,285
Travel	700	560	140
Other support costs	33,569	30,088	3,481
Activities	7,251	5,084	2,167
Total program activities	106,818	99,539	7,279
Commodity food and nutrition	1,927	1,770	157
Total expenditures	\$ 230,290	209,996	\$ 20,294
Excess revenues (expenditures)		6,082	
Fund balance, January 1, 1999			
Fund Balance, December 31, 1999		\$ 6,082	

Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Transit System
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 For the Period: July 1, 1998 to June 30, 1999

Revenue

Bossier Parish Police Jury	\$	12,500
Transit fares		6,097
Title XVIII funds		36,159
Title XIX funds		32,376
Find Work program		23,855
Disability Vouchers		150
		111,137
Total revenue		111,137

Expenditures:

Salaries		54,664
Fringe benefits		18,863
Travel		854
Utilities/telephone		2,826
Operating expenses - vehicle		15,071
Other expenses		4,516
Inkind contributions		-
		96,794
Total expenditures		96,794

Excess revenue (expenditures)		14,343
Fund balance, beginning July 1, 1998		7,241
		21,584
Fund balance, ending June 30, 1999	\$	21,584

Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Family Day Care Home Program
 Louisiana Department of Education
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 For the Contract Period: October 1, 1998 to September 30, 1999

Revenue:

Grant revenue	\$	304,630
Audit reimbursement revenue		2,625
		307,255
Total revenue		307,255

Expenditures:

Salaries		32,161
Fringe benefits		9,926
Travel		2,870
Office costs		3,222
Operating costs		7,326
Insurance, gas, oil and maintenance		665
Data processing and audit		2,937
Food service costs-provider payments		245,424
		304,531
Total expenditures		304,531

Excess revenue (expenditures)		2,724
Fund balance, October 1, 1998		3,142
		3,142
Fund balance, September 30, 1999	\$	5,866
Returned to funding source, November 1, 1999		3,142

Bossier Offices of Community Services, Inc.
 Bossier City, Louisiana
 Low Income Home Energy Assistance Program
 Department of Social Services
 Office of Community Services
 Contract No: 528374
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Contract Period: January 1, 1999 to December 31, 1999

	Budget	Actual	Actual (Over) Under Budget
Revenues:			
Contract revenue	\$ 181,704	\$ 181,675	
Expenditures:			
Administration	12,677	17,350	\$ (4,673)
Assistance payments	169,027	167,855	1,172
	\$ 181,704	185,205	\$ (3,501)
Excess revenues (expenditures)		(3,530)	
Fund balance, beginning January 1, 1999		2,213	
Fund balance, ending December 31, 1999		\$ (1,317)	

Bossier Office of Community Services, Inc.
Bossier City, Louisiana
Weatherization Assistance Program
Department of Social Services
Office of Community Services
Contract No: 515919

Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Contract Period: April 1, 1998 to March 31, 1999

Revenue:

Contract revenue	\$ 196,084
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Expenditures:

Administrative costs	18,773
Materials/Program Support	172,837
Liability insurance	1,913
T & TA	1,661
Financial audit	900

Total expenditures	196,084
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Excess revenue (expenditures)

Fund balance, April 1, 1998	388
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Fund balance, March 31, 1999	\$ 388
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Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Summer Child Care Program
 Department of Social Services
 Office of Family Support
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 For the Contract Period: January 1, 1999 to December 31, 1999

Revenue:

Contract revenue	\$	144,255
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Total revenue		<u>144,255</u>
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Expenditures:

Salaries		132,518
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Fringe benefits		34,509
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Supplies		2,827
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Operating services		20,996
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Other expenses		<u>8,172</u>
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Total expenditures		<u>199,022</u>
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Excess revenue (expenditures)		(54,767)
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Fund balance, January 1, 1999		<u>53,996</u>
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Fund balance, December 31, 1999	\$	<u><u>(771)</u></u>
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Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Schedule of Expenditures of Federal Awards
 For the Year Ended December 31, 1999

<u>Federal Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
<u>U.S. Department of Health and Human Services</u>			
<u>Direct Programs:</u>			
Head Start (Fy 1-31-99)	93.600	06CH0190/16	\$ 478,398
Head Start (Fy 1-31-00)	93.600	06CH0190/17	1,532,785
Early Head Start (Fy 8-31-99)	93.600	06YC0551/01	236,819
Early Head Start (Fy 8-31-00)	93.600	06YC0551/02	82,866
Passed through Caddo Community Action Agency:			
Training and Technical Assistance (Fy 1-31-99)	93.600	N/A	203
Passed through Louisiana Department of Labor			
Community Services Block Grant (Fy 12-31-99)	93.569	99N0033	209,996
Passed through Louisiana Department of Social Services - Office of Family Support			
Summer Child Care Program - Child Care Assistance Program	93.561	N/A	199,022
Temporary Assistance for Needy Families (TANF)	93.558	531837	23,325
Passed through Louisiana Department of Social Services - Office of Community Services			
Low-Income Home Energy Assistance Program (12-31-99)	93.568	528374	185,205
Weatherization Assistance for Low Income Persons (3-31-99)	93.568	515919	57,929
Weatherization Assistance for Low Income Persons (3-31-00)	93.568	515919	109,731
Title XIX Transportation (Fy 6-30-99)	93.667	Unknown	16,569
Title XIX Transportation (Fy 6-30-00)	93.667	Unknown	17,674
Total Department of Health and Human Services			<u>3,150,522</u>

(Continued)

Bossier Office of Community Services, Inc.
 Bossier City, Louisiana
 Schedule of Expenditures of Federal Awards
 For the Year Ended December 31, 1999

<u>Federal Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
<u>U.S. Department of Transportation</u>			
Passed through Louisiana Department of Transportation and Development			
Public Transportation for Non-Urbanized Areas and then through the Bossier Parish Police Jury			
Section 18 Operating Assistance (Fy 6-30-99) (SPN 741-08-0205)	20.509	LA-18-X016	8,687
Section 18 Operating Assistance (Fy 6-30-00) (SPN 741-08-0206)	20.509	LA-18-X017	31,871
Total Department of Transportation			<u>40,558</u>
<u>U.S. Department of Agriculture</u>			
Passed through Louisiana Department of Education			
Child Care Food Program (FDCH) (Fy 9-30-99)	10.558	N/A	237,873
Child Care Food Program (FDCH) (Fy 9-30-00)	10.558	N/A	66,326
Child Care Food Program (Head Start) (Fy 9-30-99)	10.558	N/A	140,674
Child Care Food Program (Head Start) (Fy 9-30-00)	10.558	N/A	81,648
National School Lunch Program	10.555	N/A	31,543
Passed through Louisiana Department of Agriculture and Forestry			
Temporary Emergency Food Assistance Program	10.568	N/A	6,944
Food Distribution - Value of Commodities Distributed	10.550	N/A	38,478
Total Department of Agriculture			<u>603,486</u>
Total Federal Expenditures			<u>\$ 3,794,566</u>

NOTE 1: The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting.

NOTE 2: Nonmonetary assistance is reported in the schedule at the fair value of the commodities received and distributed.
 At December 31, 1999, BOCS had no food commodities in inventory.

COOK & MOREHART

Certified Public Accountants

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

To the Board of Directors
Bossier Office of Community Services, Inc.
Bossier City, Louisiana

We have audited the financial statements of Bossier Office of Community Services, Inc. as of and for the year ended December 31, 1999, and have issued our report thereon dated May 19, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Bossier Office of Community Services, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Bossier Office of Community Services, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting which we have reported to management of Bossier Office of Community Services, Inc. in a separate management letter dated May 19, 2000.

This report is intended solely for the information and use of management, the Board of Directors and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Cook & Morehart", with a long horizontal flourish extending to the right.

Cook & Morehart
Certified Public Accountants
May 19, 2000

COOK & MOREHART

Certified Public Accountants

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

To the Board of Directors
Bossier Office of Community Services, Inc.
Bossier City, Louisiana

Compliance

We have audited the compliance of Bossier Office of Community Services, Inc. with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 1999. Bossier Office of Community Services, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Bossier Office of Community Services, Inc.'s management. Our responsibility is to express an opinion on Bossier Office of Community Services, Inc.'s compliance based on our audit.

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

In our opinion, Bossier Office of Community Services, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1999.

Internal Control Over Compliance

The management of Bossier Office of Community Services, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Bossier Office of Community Services, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, the Board of Directors and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Cook & Morehart
Certified Public Accountants
May 19, 2000

Bossier Office of Community Services, Inc.
Bossier City, Louisiana
Summary Schedule of Prior Audit Findings
December 31, 1999

There were no findings or questioned costs for the previous audit period ended December 31, 1998.

Schedule of Findings and Questioned Costs
December 31, 1999

A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the financial statements of Bossier Office of Community Services, Inc.
2. No reportable conditions are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Bossier Office of Community Services, Inc. were disclosed during the audit.
4. No reportable conditions are reported in the Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Bossier Office of Community Services, Inc. expresses an unqualified opinion.
6. There are no audit findings relative to the major federal award programs for Bossier Office of Community Services, Inc. reported in Part C. of this Schedule.
7. The programs tested as major programs included: 1) Head Start Program and Early Head Start Program CFDA #93.600; 2) Child and Adult Care Food Program (FDCH and Head Start) CFDA #10.558; and 3) Low-Income Home Energy Assistance Program and Weatherization Program CFDA #93.568.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Bossier Office of Community Services, Inc. qualifies as a low-risk auditee.

B. Findings – Financial Statements Audit – NONE

C. Findings and Questioned Costs – Major Federal Award Programs Audit – NONE

Bossier Office of Community Services, Inc.
Bossier City, Louisiana
Summary Schedule of Prior Year Audit Findings
Schedule For Louisiana Legislative Auditor
December 31, 1999

There were no findings or questioned costs for the prior year audit for the year ended December 31, 1998.

The prior year management letter comments for the year ended December 31, 1998 are addressed below:

Comment #1: FDCH Provider Payments

The problem noted in the 1998 management letter was not noted in 1999 audit testing.

Bossier Office of Community Services, Inc.
Bossier City, Louisiana
Corrective Action Plan For Current Year Audit Findings
Schedule For Louisiana Legislative Auditor
December 31, 1999

There were no findings or questioned costs for the current year audit.

The corrective action plan for the management letter comments for the year ended December 31, 1999 are addressed below:

Comment #1: FDCH Provider Payments

Bossier Office of Community Services, Inc. – FDCHP has reviewed the one provider’s records and has secured the over-claimed from the provider in the amount of \$202.80. Steps have been taken to ensure files contain all necessary information and meal count and attendance adequately support amounts paid.

Comment #2: FDCH Excess Funds

Bossier Office of Community Services, Inc. will communicate with its funding source concerning the disposition of excess funds.

Comment #3: Head Start Income Calculations

Bossier Office of Community Services, Inc. Head Start has revised the Income Verification form to include the calculations of income: weekly, twice a week, bi-weekly, and monthly. After taking the application and the calculation of income by the Family and Community Partnership Unit, the Community Partnership Specialist will review all files to ensure calculations are correct.

Comment #4: Overpayment of Personnel in CSBG Budget

For the first time since 1982, the Bossier Office of Community Services, Inc. overlooked the pay status of a CSBG employee during the budget modification process. The overall personnel budget category was not exceeded. Bossier Office of Community Services, Inc. has developed a system to ensure this will not reoccur in the future. After completion of the CSBG Budget modification, the Community Organizer will submit the modification to the Finance Director for review and adjustments. The Executive Director will have final review and approval to the budget before it is mailed to the State CSBG unit for their approval.

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Management Letter

May 19, 2000

Board of Directors
Bossier Office of Community Services, Inc.
Bossier City, Louisiana

We have audited the financial statements of Bossier Office of Community Services, Inc. (BOCS), for the year ended December 31, 1999, and have issued our report thereon dated May 19, 2000. In planning and performing our audit of the financial statements of Bossier Office of Community Services, Inc., we considered its internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

During our audit certain matters were noted involving internal controls over financial reporting and other operational matters which appear to merit your attention for consideration to improve the internal control or operations of BOCS. This comment has been discussed with the appropriate members of management.

(1) FDCH PROVIDER PAYMENTS

During our audit we selected 25 provider payments to test for compliance requirements. The following problems were noted:

- One provider was overpaid \$202.80 for suppers claimed in October – December 1999.

We recommend that an independent review be made of all provider files to ensure files contain all necessary information and amounts paid are adequately supported by meal count and attendance reports.

(2) FDCH EXCESS FUNDS

The FDCH program received excess funds in the amount of \$2,724 for the contract ended September 30, 1999.

We recommend that the agency communicate with its funding source concerning the disposition of these funds.

(3) HEAD START INCOME CALCULATION

During our eligibility testing of 25 Head Start files, we noted that the agency was not performing income calculations correctly for many of the applicants.

We recommend that someone independent of taking applications and calculating income be assigned to review each file to ensure calculations are correct.

(4) OVERPAYMENT OF PERSONNEL IN CSBG BUDGET

During our audit we noted that the pay charged to the CSBG grant for one employee exceeded the amount budgeted for that employee by \$2,458. The overall personnel budget was not exceeded.

CSBG regulations require that budget revisions be submitted when an employee's pay is expected to exceed the budgeted amount by more than \$500. We recommend that the agency properly amend its budget when an over-expenditure is expected.

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



Cook & Morehart
Certified Public Accountants