

**AVOUELLES PROGRESS ACTION COMMITTEE, INC.  
MARKSVILLE, LOUISIANA**

**AUDITOR'S REPORT  
SEPTEMBER 30, 2014**

## TABLE OF CONTENTS

	PAGE
Independent Auditor's Report	1-2
<b>BASIC FINANCIAL STATEMENTS</b>	<b>3</b>
Statement of Net Assets	4
Statement of Activities	5
Statement of Cash Flows	6
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>7-13</b>
<b>SUPPLEMENTAL INFORMATION</b>	<b>14</b>
Combining Statement of Financial Position - Indirect Federal Programs	15
Combining Statement of Activities - Indirect Federal Programs	16
Combining Statement of Cash Flows - Indirect Federal Programs	17
<b>COMPLIANCE AND INTERNAL CONTROL</b>	<b>18</b>
Report on Compliance and on Internal Control Over Financial Reporting Base on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	19-20
<b>SINGLE AUDIT</b>	<b>21</b>
Report on Schedule of Expenditures of Federal Awards	22
Report on Compliance with Requirements that could have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	23-24
Schedule of Expenditures of Federal Awards	25
Notes to Schedule of Expenditures of Federal Awards	26
<b>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</b>	<b>27</b>
<b>SCHEDULE OF CURRENT YEAR AUDIT FINDINGS</b>	<b>28</b>
<b>SCHEDULE OF PRIOR YEAR AUDIT FINDINGS</b>	<b>29</b>

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Avoyelles Progress Action Committee, Inc.  
Marksville, Louisiana

### **Report on Financial Statements**

I have audited the accompanying statement of financial position of the Avoyelles Progress Action Committee, Inc. (a nonprofit organization) as of September 30, 2014, and the related statements of activities, changes in net assets, cash flows and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### **Auditor's Responsibility**

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit 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. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

## Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Avoyelles Progress Action Committee, Inc. as of September 30, 2014 and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## Other Matters

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. My opinion on the basic financial statements is not affected by this missing information.

## Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated March 30, 2015, on my consideration of Avoyelles Progress Action Committee, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

My audit was conducted for the purpose of forming an opinion on the financial statements referred to in the first paragraph taken as a whole. The accompanying financial information on pages 15-17 listed as supplementary information in the table of contents is presented for purpose of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards contained in Appendix A 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 financial statements of the Avoyelles Progress Action Committee, Inc. 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, is fairly stated in all material respects in relation to the financial statements taken as a whole.



Ray K. Anderson  
Certified Public Accountant

Alexandria, Louisiana  
March 30, 2015

BASIC FINANCIAL STATEMENTS

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

STATEMENT OF NET ASSETS  
SEPTEMBER 30, 2014

	Direct Federal Program	Indirect Federal Programs	Non-Federal Programs	Total
<b>ASSETS</b>				
Current Assets				
Cash and Cash Equivalents	\$ 14,042	\$ 71,162	\$ 77,290	\$ 162,494
Grants Receivable	-	7,538	-	7,538
Due From Other Programs	119,239	79,509	19,556	218,304
Total Current Assets	<u>133,281</u>	<u>158,209</u>	<u>96,846</u>	<u>388,336</u>
Property, Plant and Equipment				
Net of Accumulated Depreciation	-	35,457	107,394	142,851
Other Assets				
Deposits	<u>100</u>	<u>-</u>	<u>-</u>	<u>100</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 133,381</u></u>	<u><u>\$ 193,666</u></u>	<u><u>\$ 204,240</u></u>	<u><u>\$ 531,287</u></u>
<b>LIABILITIES AND NET ASSETS</b>				
Current Liabilities				
Accounts Payable	\$ -	\$ 17,714	\$ -	17,714
Accrued Expenses	-	-	3,252	3,252
Due to Other Programs	-	104,853	113,451	218,304
Notes Payable, Current Portion	<u>-</u>	<u>-</u>	<u>9,181</u>	<u>9,181</u>
Total Current Liabilities	-	122,567	125,884	248,451
Long-Term Liabilities				
Notes Payable	<u>-</u>	<u>-</u>	<u>75,836</u>	<u>-</u>
Total Liabilities	-	122,567	201,720	248,451
<b>NET ASSETS</b>				
Unrestricted	<u>133,381</u>	<u>71,099</u>	<u>2,520</u>	<u>207,000</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 133,381</u></u>	<u><u>\$ 193,666</u></u>	<u><u>\$ 204,240</u></u>	<u><u>\$ 455,451</u></u>

The accompanying notes are an integral part of this statement.

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

STATEMENT OF ACTIVITIES  
SEPTEMBER 30, 2014

	Direct Federal Program	Indirect Federal Programs	Non-Federal Programs	Total
Support				
Grants Earned	\$ 1,017,436	\$ 576,136	\$ 44,477	\$ 1,638,049
In-Kind Contributions	322,814	-	-	322,814
Other Support	48,948	14,057	15,470	78,475
Total Support	1,389,198	590,193	59,947	2,039,338
Expenses				
Program Services				
Salaries	739,851	307,748	4,500	1,052,099
Fringe Benefits	99,279	36,307	17,890	153,476
Contractual	9,059	1,890	5,430	16,379
Travel	31,175	21,985	1,000	54,160
Space Costs	144,045	17,161	13,415	174,621
Consumable Supplies	11,442	25,793	50	37,285
Materials/Food Costs	-	203,179	-	203,179
Other Expenses	109,151	46,421	19,810	175,382
In-Kind Contributions	322,814	-	-	322,814
Total Program Services	1,466,816	660,484	62,095	2,189,395
Increase (Decrease) in Unrestricted Net Assets Before Operating Transfers & Extraordinary Items	(77,618)	(70,291)	(2,148)	(150,057)
Operating Transfers In (Out) and Extraordinary Items				
Operating Transfers In (Out)	112,386	11,100	(123,486)	-
Loss on Transfer of Head Start and Child Care Food Assets and Related Debt to Avoyelles Parish Head Start	(660,942)	-	-	(660,942)
Total of Transfers In (Out) and Extraordinary Items	(548,556)	11,100	(123,486)	(660,942)
Increase (Decrease) in Unrestricted Assets	(626,174)	(59,191)	(125,634)	(810,999)
Net Assets, Beginning of the Year	759,555	130,290	128,154	1,017,999
Net Assets, End of the Year	\$ 133,381	\$ 71,099	\$ 2,520	\$ 207,000

The accompanying notes are an integral part of this statement.

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

STATEMENT OF CASH FLOWS  
SEPTEMBER 30, 2014

	Direct Federal Program	Indirect Federal Programs	Non-Federal Programs	Total
Cash Flows from Operating Activities:				
Change in Net Assets	\$ 34,768	\$ (58,224)	\$ (125,634)	\$ (149,090)
Adjustments to reconcile changes in Net Assets to Net Cash Provided Operating Activities:				
Depreciation	48,951	1,349	3,870	54,170
(Increase) Decrease in Operating Assets:				
Grants Receivable	26,000	63,127	-	89,127
Other Receivables	(25,813)	(21,892)	(19,556)	(67,261)
Increase (Decrease) in Operating Liabilities:				
Accounts Payable	(23,938)	(8,405)	(25,786)	(58,129)
Accrued Expenses	(7,675)	-	2,755	(4,920)
Other Payables	-	14,458	52,803	67,261
Net Cash Provided by Operating Activities	52,293	(9,587)	(111,548)	(68,842)
Cash Flow from Financing Activities:				
Proceeds from Debt	-	-	-	-
Transfers (To) From Other Funds	-	-	(8,670)	(8,670)
Principal Payments on Debt	(23,300)	-	-	(23,300)
Net Cash Flow from Financing Activities	(23,300)	-	(8,670)	(31,970)
Cash Flows From Investing Activities:				
Purchase of Property and Equipment	-	12,659	-	12,659
Net Cash Flows From Investing Activities	-	12,659	-	12,659
Net Increase (Decrease) in Cash and Cash Equivalents	28,993	3,072	(120,218)	(88,153)
Cash and Cash Equivalents, Beginning of the Year	(14,951)	68,090	197,508	250,647
Cash and Cash Equivalents, End of the Year	<u>\$ 14,042</u>	<u>\$ 71,162</u>	<u>\$ 77,290</u>	<u>\$ 162,494</u>

The accompanying notes are an integral part of this statement.

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

NOTES TO FINANCIAL STATEMENTS

September 30, 2014

**NOTE A - Summary Of Accounting Policies**

**Nature of Organization**

The Avoyelles Progress Action Committee, Inc. (APAC) was organized in 1965. It was organized to serve as a community action agency for the parish of Avoyelles, Louisiana. Its focus is to provide access to available local, state, federal and private resources to assist the disadvantaged residents of Avoyelles, Point Coupee and Evangeline Parishes.

The Avoyelles Progress Action Committee, Inc. is a nonprofit organization as defined in Section 501(c)(3) of the Internal Revenue Code is exempt from federal and state income taxes.

**Nature of Activities**

The primary funding sources and their purposes of APAC are as follows:

**Direct Federal Programs**

Department of Health and Human Services

Head Start – a full year (nine month) program providing comprehensive early child development for disadvantaged pre-school children, ages 3 and 4.

**Indirect Federal Programs**

Department of Agriculture

The Child Care Food Program operates in conjunction with the Head Start Program. This program allows APAC to provide a meal program for qualifying students on a cost reimbursement basis.

Department of Energy

The Weatherization Assistance for Low Income Persons Program helps needy individuals with home energy conservation measures.

Department of Health and Human Services

The Community Services Block Grant and the Emergency Community Services for the Homeless Programs help to defray a portion of APAC's administrative costs and to provide various program services to the needy.

The low Income Home Energy Assistance Program (LIHEAP) provides assistance to low-income households in the payment of home utility costs during high energy usage periods of the year.

Department of Social Services

The Temporary Assistance for Needy Families Program (TANF) provides assistance to low-income households in the payment of home utility costs. This program had no activity during the current fiscal year.

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

NOTES TO FINANCIAL STATEMENTS

September 30, 2014

**Non-Federal Programs**

This accounts for general fund and state appropriated monies to cover other administrative costs of operating the APAC agency. During the year ended September 30, 2012, APAC received no state appropriation monies.

**Method of Accounting**

The financial statements of APAC have been prepared utilizing the accrual basis of accounting.

**Financial Statement Presentation**

In 1996, APAC adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, APAC 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) based upon the existence or absence of donor-imposed restrictions.

APAC also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made," in 1996. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporary restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Agency considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**Plant, Furniture, Fixtures and Equipment**

Physical properties, furniture, fixtures and equipment are stated at cost and donated assets are recorded at their estimated fair market values on the dates of donation. Depreciation is calculated using the straight-line method over the following estimated useful lives:

Buildings	40 Years
Machinery and Equipment	5-10 Years
Furniture and Fixtures	7 Years

**Support and Revenue**

Grant revenues are recognized as follows:

For entitlement grants in which unexpended funds are subjected to future reprogramming, the entire amount of the grant award is recognized over the life of the grant. In cases where such grants span the Agency's fiscal year end, revenues are recognized in an amount equal to expenditures in the initial portion of the grant, and any excess is recognized in the period in which the grant terminates.

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

NOTES TO FINANCIAL STATEMENTS

September 30, 2014

In cases of cost reimbursement grants where unexpended funds revert to the grantor at the conclusion of the grant period, grant revenues are recognized in an amount equal to expenditures, up to the maximum amount of the grant awarded.

In the case of unrestricted grants, the entire amount of the grant award is recognized as revenue upon receipt.

**Expenditures**

Purchase of consumables and supplies are recorded as expenditures in the grant period when purchased. Should grant funding cease, such equipment could be returned to the grantor. Because of these expenditures, a perpetual record is maintained on those assets acquired.

**Totals – Memo Only**

The total columns on the statements are captioned Memo Only to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**Donated Services, Material and Facilities**

Value of in-kind services is made at current market rates for services, at not more than the federal minimum wage plus applicable fringe costs.

Donations of materials and facilities use are valued at the estimated fair market value of the material or facility at the time of the donation.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE B - Cash, Interest Bearing Deposits and Investments**

At September 30, 2014 cash totaled \$162,494 per the general ledger and \$230,217 per bank balances. Under state law, these deposits (or 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 bank in a holding or custodial bank that is mutually acceptable to both parties. At September 30, 2014 the Agency's accounts, with the exception of \$17,393, were adequately secured from risk by FDIC insurance and securities pledged by the Depositor Bank.

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

NOTES TO FINANCIAL STATEMENTS

September 30, 2014

**NOTE C - Inter-Program Receivables/Payables**

As of September 30, 2014, inter-program receivables/payables consisted of the following:

	Receivables	Payables
Direct Federal Programs		
Headstart	\$ 119,239	\$ -
Indirect		
CSBG	-	10,429
Weatherization	-	10,489
LIHEAP	60,103	-
Child Care Food	-	43,935
WAP ARRA	19,406	40,000
Non-Federal Programs		
General Fund	19,556	113,451
Totals	\$ 218,304	\$ 218,304

**NOTE D - Grants Receivable**

As of September 30, 2014, grants receivable was composed of:

Indirect Federal Programs	
LIHEAP - Department of Energy	\$ 7,038
CSBG - State of Louisiana	500
Total Indirect Federal Programs	\$ 7,538

**NOTE E - Grant Revenue By Source of Funding**

Funding Source	
Direct Federal Program:	
Headstart	\$ 1,017,436
Indirect Federal Programs	
Community Service Block Grant	132,758
Department of Energy Weatherization	287,466
LIHEAP Energy Assistance	76,571
Child Care Food	79,341
Total of All Programs	\$ 1,593,572

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

NOTES TO FINANCIAL STATEMENTS  
September 30, 2014

**NOTE F - Plant, Furniture, Fixtures and Equipment**

As of September 30, 2014, all property and equipment owned by APAC has been acquired with grant monies. Property and equipment consist of the following:

	September 30, 2013	Additions	Deletions	September 30, 2014
<u>Direct Federal</u>				
Land	\$ 115,868	\$ -	\$ (115,868)	\$ -
Buildings	2,640,859	-	(2,640,859)	-
Furniture and Equipment	371,273	-	(371,273)	-
Vehicles	399,002	-	(399,002)	-
Total	3,527,002	-	(3,527,002)	-
Less: Accum. Deprn.	(1,293,423)	-	1,293,423	-
Net Property and Equip.	<u>\$ 2,233,579</u>	<u>\$ -</u>	<u>\$ (2,233,579)</u>	<u>\$ -</u>
<u>Indirect Federal</u>				
Furniture and Equipment	\$ 166,396	\$ 4,727	\$ (20,021)	\$ 151,102
Less: Accum. Deprn.	(133,350)	(2,316)	20,021	(115,645)
Net Property and Equip.	<u>\$ 33,046</u>	<u>\$ 2,411</u>	<u>\$ -</u>	<u>\$ 35,457</u>
<u>General Fund</u>				
Building	\$ 154,803	\$ -	\$ -	\$ 154,803
Less: Accum. Deprn.	(43,538)	(3,871)	-	(47,409)
Net Property and Equip.	<u>\$ 111,265</u>	<u>\$ (3,871)</u>	<u>\$ -</u>	<u>\$ 107,394</u>

SFAS No. 93, effective for fiscal years beginning after May 15, 1988, requires the recognition of depreciation in the financial statements of a non-profit organization. This statement provides that the nonprofit organization adopt accounting changes needed to conform to the statement's provisions.

Effective for the year ended September 30, 2011, APAC has adopted the provisions of SFAS No. 93. Depreciation is calculated using the straight-line method with assets live of 5 to 40 years.

During this fiscal year, assets in the Head Start Fund and Child Care Food Services Fund were transferred to Avoyelles Parish Head Start Program, another charitable organization, along with the related debt attached to those assets.

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

NOTES TO FINANCIAL STATEMENTS  
September 30, 2014

**NOTE G - Changes in Long-Term Debt**

The following is a summary of debt transactions of APAC for the year ended September 30, 2014:

	Notes Payable
Long-term debt payable at October 1, 2013	\$ 1,604,675
Long-term debt issued	-
Long-term debt which was assumed by Avoyelles Parish Head Start Program	(1,487,688)
Long-term debt retired	(31,970)
Long-term debt payable at September 30, 2014	\$ 85,017

During the fiscal year, debt of the Head Start Fund was assumed by the Avoyelles Parish Head Start Program along with the related assets.

General Fund notes payable at September 30, 2014 is composed of the following note:

On May 6, 2002 the Board of Directors of the Avoyelles Progress Action Committee authorized the incurrence of debt in the amount of \$156,713 to pay the cost of Administration Building. The note bears 7.75% interest and is payable over twenty years. At September 30, 2012 the principal balance was \$108,689. The amount of debt owned at September 30, 2014 was \$85,017

\$ 85,017

The annual requirements to amortize the debt outstanding as of September 30, 2014, including interest payments are as follows:

Notes Payable Financed by Indirect Federal Programs			
Year Ending June 30,	Interest	Principal	Total
2015	\$ 6,267	\$ 9,181	\$ 15,448
2016	5,530	9,918	15,448
2017	4,734	10,714	15,448
2018	3,873	11,575	15,448
2019	2,944	12,504	15,448
2020-2022	2,827	31,125	33,952
Total	\$ 26,175	\$ 85,017	\$ 111,192

**NOTE H - Board Members Per Diem**

Board members of the Avoyelles Progress Action Committee have not received per diem or any other type of compensation during the audit period.

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

NOTES TO FINANCIAL STATEMENTS

September 30, 2014

**NOTE I - Employee Benefit Plan**

Avoyelles Progress Action Committee established a defined contribution salary deferral plan, covering employees of the agency. The plan has been adopted in accordance with Section 403(B) of the Internal Revenue Code. Under the plan, the Avoyelles Progress Action Committee contributes a discretionary matching contribution equal to a percentage of the amount of the salary reduction elected by the employee, up to 5% of compensation. The employee may elect a salary reduction up to the maximum annual allowable amount established by applicable Internal Revenue Code Sections. During the year ended September 30, 2014, Avoyelles Progress Action Committee contributed \$25,853, as the agency's match to the plan.

**NOTE J - Commitments and Contingencies**

In September 2007, the Avoyelles Progress Action Committee, Inc. opened a revolving line of credit in the amount of \$50,000 at the Union Bank. The line of credit was renewed in September 2009. The purpose of the line of credit is to provide temporary cash funds while awaiting grant reimbursement revenues if needed by the Agency. As of September 30, 2014, there was no outstanding balance on this line of credit.

**NOTE K - Evaluation of Subsequent Events**

The Agency has evaluated subsequent events through August 8, 2014, the date, which the financial statements were available to be issued.

As of July 31, 2014, Avoyelles Progress Action Committee no longer administers the Head Start and Child Care Food Programs.

**NOTE L - Theft Allegation**

During the prior fiscal year ended on September 30, 2013, an allegation regarding the misappropriation of Organization funds by the Organizations former accountant, in the amount of \$27,000, was made. The issue was resolved with the former employee agreeing to make restitution to the Organization.

**SUPPLEMENTARY INFORMATION**

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

COMBINING STATEMENT OF FINANCIAL POSITION  
INDIRECT FEDERAL PROGRAMS  
SEPTEMBER 30, 2014

	CSBG Program	Dept. Of Energy Weatherization Program	LIHEAP Energy Assistance Program	Child Care Food Program	Dept. Of Energy Weatherization ARRA Prog.	Totals Memorandum
<b>ASSETS</b>						
Current Assets						
Cash and Cash Equivalents	\$ 9,274	\$ 49,343	\$ 12,461	\$ 84	\$ -	\$ 71,162
Grant Receivable	500	-	7,038	-	-	7,538
Due from Other Programs	-	-	60,103	-	19,406	79,509
Total Current Assets	<u>9,774</u>	<u>49,343</u>	<u>79,602</u>	<u>84</u>	<u>19,406</u>	<u>158,209</u>
Property Plant and Equipment						
Property, Plant and Equipment, net of Accumulated Depreciation	<u>5,907</u>	<u>561</u>	<u>883</u>	<u>-</u>	<u>28,106</u>	<u>35,457</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 15,681</b></u>	<u><b>\$ 49,904</b></u>	<u><b>\$ 80,485</b></u>	<u><b>\$ 84</b></u>	<u><b>\$ 47,512</b></u>	<u><b>\$ 193,666</b></u>
<b>LIABILITIES AND NET ASSETS</b>						
Current Liabilities						
Accounts Payable	\$ 10,944	\$ 5,991	\$ 779	\$ -	\$ -	\$ 17,714
Accrued Expenses	-	-	-	-	-	-
Due to Other Programs	10,429	10,489	-	43,935	40,000	104,853
Notes Payable - Current Portion	-	-	-	-	-	-
Total Current Liabilities	<u>21,373</u>	<u>16,480</u>	<u>-</u>	<u>43,935</u>	<u>40,000</u>	<u>122,567</u>
Long-Term Liabilities						
Notes Payable	-	-	-	-	-	-
Total Liabilities	<u>21,373</u>	<u>16,480</u>	<u>-</u>	<u>43,935</u>	<u>40,000</u>	<u>122,567</u>
Net Assets						
Unrestricted	<u>(5,692)</u>	<u>33,424</u>	<u>79,706</u>	<u>(43,851)</u>	<u>7,512</u>	<u>71,099</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>\$ 15,681</b></u>	<u><b>\$ 49,904</b></u>	<u><b>\$ 79,706</b></u>	<u><b>\$ 84</b></u>	<u><b>\$ 47,512</b></u>	<u><b>\$ 193,666</b></u>

The accompanying notes are an integral part of this statement.

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

COMBINING STATEMENT OF ACTIVITIES INDIRECT FEDERAL PROGRAMS  
SEPTEMBER 30, 2014

	CSBG Program	Dept. Of Energy Weatherization Program	LIHEAP Energy Assistance Program	Child Care Food Program	Dept. Of Energy Weatherization ARRA Prog.	Total
<b>Support</b>						
Grants Earned	\$ 132,758	\$ 287,466	\$ 76,571	\$ 79,341	\$ -	\$ 576,136
In-Kind Contributions	-	-	-	-	-	-
Other Support	13,945	112	-	-	-	14,057
<b>Total Support</b>	<u>146,703</u>	<u>287,578</u>	<u>76,571</u>	<u>79,341</u>	<u>-</u>	<u>590,193</u>
<b>Expenses</b>						
<b>Program Services</b>						
Salaries	74,641	126,047	36,037	70,434	589	307,748
Fringe Benefits	9,392	14,505	4,467	7,817	126	36,307
Contractual	1,229	-	661	-	-	1,890
Travel	1,659	20,127	131	68	-	21,985
Space Costs	13,554	1,605	420	1,330	252	17,161
Consumable Supplies	16,466	2,914	289	6,124	-	25,793
Materials/Food Costs	-	135,701	13,562	53,916	-	203,179
Other Expenses	27,675	11,560	6,058	1,128	-	46,421
In-Kind Contributions	-	-	-	-	-	-
<b>Total Program Services</b>	<u>144,616</u>	<u>312,459</u>	<u>61,625</u>	<u>140,817</u>	<u>967</u>	<u>660,484</u>
Increase (Decrease) in Unrestricted Net Assets Before Operating Transfers	2,087	(24,881)	14,946	(61,476)	(967)	(70,291)
Operating Transfers In (Out)	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>8,100</u>	<u>-</u>	<u>11,100</u>
Increase (Decrease) in in Unrestricted Assets	5,087	(24,881)	14,946	(53,376)	(967)	(59,191)
Net Assets, Beginning of the Year	<u>(10,779)</u>	<u>58,305</u>	<u>64,760</u>	<u>9,525</u>	<u>8,479</u>	<u>130,290</u>
Net Assets, End of the Year	<u>\$ (5,692)</u>	<u>\$ 33,424</u>	<u>\$ 79,706</u>	<u>\$ (43,851)</u>	<u>\$ 7,512</u>	<u>\$ 71,099</u>

AVOUELLES PROGRESS ACTION COMMITTEE, INC.

COMBINING STATEMENT OF CASH FLOWS INDIRECT FEDERAL PROGRAMS  
SEPTEMBER 30, 2014

	CSBG Program	Dept. Of Energy Weatherization Program	LIHEAP Energy Assistance Program	Child Care Food Program	Dept. Of Energy Weatherization ARRA Prog.	Total
Cash Flows from Operating Activities:						
Change in Net Assets	\$ 5,087	\$ (24,881)	\$ 14,946	\$ (53,376)	\$ -	\$ (58,224)
Adjustments to reconcile changes in Net Assets to Net Cash Provided						
Operating Activities:						
Depreciation	1,848	187	281	-	(967)	1,349
(Increase) Decrease in Operating Assets:						
Grants Receivable	-	12,221	3,497	47,409	-	63,127
Other Receivables	-	-	(2,486)	-	(19,406)	(21,892)
Increase (Decrease) in Operating Liabilities:						
Accounts Payable	7,140	4,731	779	(20,886)	(169)	(8,405)
Other Payables	2,417	2,489	-	9,552	-	14,458
Net Cash Provided by Operating Activities	16,492	(5,253)	17,017	(17,301)	(20,542)	(9,587)
Cash Flows From Investing Activities:						
Purchase of Equipment	(4,726)	-	-	17,385	-	12,659
Net Increase (Decrease) in Cash and Cash Equivalents	11,766	(5,253)	17,017	84	(20,542)	3,072
Cash and Cash Equivalents Beginning of the Year	(2,492)	54,596	(4,556)	-	20,542	68,090
Cash and Cash Equivalents End of the Year	\$ 9,274	\$ 49,343	\$ 12,461	\$ 84	\$ -	\$ 71,162

COMPLIANCE AND INTERNAL CONTROL

# Roy K. Derbonne, JR., LLC

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## INDEPENDENT AUDITOR'S 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

To The Board of Directors  
Avoyelles Progress Action Committee, Inc.  
Marksville, Louisiana

I have audited the financial position of the Avoyelles Progress Action Committee, Inc. ( a nonprofit organization) as of September 30, 2014, and have issued my report thereon dated March 30, 2015. I conducted my audit 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.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Avoyelles Progress Action Committee, Inc.'s financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Avoyelles Progress Action Committee, Inc.'s internal control over financial reporting as a basis for designing my audit procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Avoyelles Progress Action Committee, Inc.'s internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Avoyelles Progress Action Committee, Inc.'s internal control over financial reporting.

*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 misstatements on a timely basis.

A material weakness is a deficiency, or 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.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I considered to material weaknesses, as defined above.

This report is intended solely for the information and use of and management and others within the organization and grant awarding agencies and the Legislative Auditor and is not intended to be and should not be used by anyone other

than the specified parties. However, this report is a matter of public record and its distribution is not limited. Also, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in purple ink, appearing to read "Roy K. Derbonne, Jr.", with a stylized flourish at the end.

**Roy K. Derbonne, Jr.**  
Certified Public Accountant

Alexandria, Louisiana  
March 30, 2015

SINGLE AUDIT

# *Roy K. Derbonne, JR., LLC*

Certified Public Accountant

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## INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To the Board of Directors  
Avoyelles Progress Action Committee, Inc.  
Marksville, Louisiana

I have audited the general-purpose financial statements of the Avoyelles Progress Action Committee, Inc. for the year ended September 30, 2014, and have issued my report dated March 30, 2015. My audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.



Roy K. Derbonne, Jr., LLC  
Certified Public Accountant

Alexandria, Louisiana  
March 30, 2015

# *Roy K. Derbonne, JR., LLC*

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors  
Avoyelles Progress Action Committee, Inc.  
Marksville, Louisiana

### **Compliance**

I have audited the Avoyelles Progress Action Committee, Inc.'s compliance with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that could have a direct and material effect on each of the Avoyelles Progress Action Committee, Inc.'s major federal programs for the year ended September 30, 2014. The Avoyelles Progress Action Committee, Inc.'s major federal programs are identified in the schedule of federal financial assistance. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Avoyelles Progress Action Committee, Inc.'s management. My responsibility is to express an opinion on the Avoyelles Progress Action Committee, Inc.'s compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 Nonprofit Organizations*. Those standards and OMB Circular A-133 require that I 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 the Avoyelles Progress Action Committee, Inc.'s compliance with those requirements and performing such other procedures, as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of the Avoyelles Progress Action Committee, Inc.'s compliance with those requirements.

In my opinion, the Avoyelles Progress Action Committee, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2014.

### **Internal Control Over Compliance**

Management of the Avoyelles Progress Action Committee, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered the Avoyelles Progress Action Committee, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on

compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express and opinion on the effectiveness of the Avoyelles Progress Action Committee, Inc.'s 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 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.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

This report is intended for the information and use of the Board of Directors, the Legislative Auditor of the Legislative Auditor of the state of Louisiana, 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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor of the State of Louisiana as a public document.



**Roy K. Derbonne, Jr.**  
Certified Public Accountant

Alexandria, Louisiana  
March 30, 20105

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2014

	<u>CFDA No.</u>	<u>Local Program Number</u>	<u>Disbursements</u>
U. S. Department of Agriculture Passed through the State of Louisiana Department of Education: Child Care Food Program	10.558	CACFP-2010	\$ 140,817
U. S. Department of Energy Passed through the State of Louisiana Department of La. Housing Financing Agency: Weatherization Assistance for Low-Income Person	81.042	DE-EE0000122	312,459 *
Weatherization Assisitance for Low-Income Person - ARRA Funds	81.042	DE-EE0000122	967
U. S. Department of Health and Human Services Direct Program: Head Start	93.600	06CH5109/44	1,466,816 *
Passed through the State of Louisiana Department of Louisiana Housing Financing Agency: Low Income Home Energy Assistance Payments	93.568	CFMS 565754	61,625
Passed through the State of Louisiana Department of Labor: Community Service Block Grant	93.569	2009N0051	<u>144,616</u>
Total Federal Award Program Expenditures			<u>\$ 2,127,300</u>

\* - Denotes a major program

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
September 30, 2014

**NOTE A - Significant Accounting Policies**

The accompanying schedule of expenditures of federal awards of the Avoyelles Progress Action Committee, Inc., has been prepared utilizing the accrual basis of accounting. The information presented in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented, or used in, the preparation of the general purpose financial statements.

**NOTE B - Subrecipients**

Of the federal Expenditures presented in the schedule of federal awards, Avoyelles Progress Action Committee, Inc. pass through any federal awards to any subrecipient.

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended September 30, 2014

PART I – SUMMARY OF AUDITOR’S RESULTS

An unqualified opinion was issued on the financial statements of September 30, 2014.

The report on internal control included no reportable conditions.

The results of the audit disclosed no instances of noncompliance that are considered to be material to the financial statements of the Avoyelles Progress Action Committee, Inc.

The results of the audit disclosed no instances of noncompliance with respect to compliance with laws, regulations, contracts, and grants, which is material to the financial statements.

PART II – FINDINGS RELATED TO THE FINANCIAL STATEMENTS, WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS

None.

PART III – FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS REQUIRED TO BE REPORTED IN ACCORDANCE WITH OMB CIRCULAR A-133

An unqualified opinion was issued on the financial statements of September 30, 2014.

The report on internal control included no reportable conditions.

There were no audit findings that were required to be disclosed in accordance with Circular A-133, Section .510(a).

Major Federal Awards Programs

	<u>CFDA Number</u>
Weatherization Assistance for low income persons	81.042
Head Start	93.600

Dollar threshold used to identify Type A

Auditee does not qualified as a low-risk auditee under Section 530 of OMB Circular A-133.

AVOYELLES PROGRESS ACTION COMMITTEE, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended September 30, 2014

There are no Findings or Questioned Costs at September 30, 2014.

AVOYELLES PROGRESS ACTION COMMITTEE, INC.  
 SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
 FOR THE YEARS END JUNE 30, 2014

Description of Finding	Corrective Action Taken
<p><u>Finding 2013-01 – Failure to Submit Financial Statements Timely</u></p> <p>Louisiana Revised Statue 24:513 requires that the Organization’s audit report to be filed with the Legislative Auditor’s Office by the end of the sixth month following the close of the Organization’s fiscal year. The audit report was not filed with the Legislative Auditor’s Office within the prescribed period.</p>	Yes
<p><u>Finding 2013-02 – Inadequate Collateralized Deposits Pursuant to R.S. 39:1224</u></p> <p>The Organization’s deposits were not adequately covered at all times by FDIC Insurance and collateral pledged by the financial institution.</p>	Yes