

**EVANGELINE COMMUNITY
ACTION AGENCY, INC.**
Ville Platte, Louisiana

Financial Report

Year Ended January 31, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/18/10

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INDEPENDENT AUDITORS' REPORT

Mr. Gervis LaFleur, Executive Director, and
Members of the Board of Directors
Evangeline Community Action Agency, Inc.
Ville Platte, Louisiana

We have audited the accompanying statement of financial position of the Evangeline Community Action Agency, Inc. (a nonprofit organization) as of January 31, 2010, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the management of Evangeline Community Action Agency, Inc. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Evangeline Community Action Agency, Inc., as of January 31, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated July 27, 2010, on our consideration of Evangeline Community Action Agency, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Evangeline Community Action Agency, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards (page 24) as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the financial information listed as "Supplemental Information" (pages 16-18), is presented for purposes of additional analysis 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.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
July 27, 2010

FINANCIAL STATEMENTS

EVANGELINE COMMUNITY ACTION AGENCY, INC.
Ville Platte, Louisiana

Statement of Financial Position
January 31, 2010

ASSETS

Current assets:	
Cash	\$ 113,789
Grant receivable	<u>97,957</u>
Total current assets	211,746
Fixed assets at cost - less accumulated depreciation of \$520,252	<u>675,874</u>
Total assets	<u>\$ 887,620</u>

LIABILITIES AND NET ASSETS

Liabilities -	
Current liabilities:	
Accounts payable	\$ 80,918
Deferred revenue	3,500
Note payable	<u>10,789</u>
Total current liabilities	95,207
Noncurrent liabilities:	
Note payable	<u>406,356</u>
Total liabilities	501,563
Net assets - unrestricted	<u>386,057</u>
Total liabilities and net assets	<u>\$ 887,620</u>

The accompanying notes are an integral part of this statement.

EVANGELINE COMMUNITY ACTION AGENCY, INC.
Ville Platte, Louisiana

Statement of Activity
Year Ended January 31, 2010

Support:	
Government grants	\$2,407,183
Local grants	7,916
Donated services and facilities	392,241
Miscellaneous income	50
Total support	<u>2,807,390</u>
Expenses:	
Program services -	
Energy Assistance Programs	458,770
Local grants	3,752
Food services	174,446
Headstart	<u>2,070,307</u>
Total program services	2,707,275
Support services -	
Community Services Block Grant	<u>149,564</u>
Total expenses	<u>2,856,839</u>
Change in net assets	(49,449)
Net unrestricted assets, beginning	<u>435,506</u>
Net unrestricted assets, ending	<u>\$ 386,057</u>

The accompanying notes are an integral part of this statement.

EVANGELINE COMMUNITY ACTION AGENCY, INC.
Ville Platte, Louisiana

Statement of Functional Expenses
Year Ended January 31, 2010

	Program Services		
	Energy Assistance Grants	Local Grants	Food Services Program
Salaries	\$ 31,146	\$ 2,400	\$ 22,284
Consulting fees	-	-	-
Payroll taxes	2,548	199	2,048
Retirement	-	-	-
Total salaries and related expenses	<u>33,694</u>	<u>2,599</u>	<u>24,332</u>
Dues	-	-	-
Energy assistance	414,071	-	-
Food and nutrition	-	-	149,086
Cooling	-	-	-
Insurance	-	-	-
Interest expense	-	-	-
Contributed services and facility costs	-	-	-
Medical and dental	-	77	-
Miscellaneous	-	-	57
Other occupancy	-	-	-
Parent involvement	-	-	-
Printing/advertising	-	-	-
Professional fees	425	100	750
Rent	-	-	-
Repairs and maintenance	-	-	-
Seminars and workshops	5,000	-	-
Supplies and materials	3,739	285	221
Telephone	-	-	-
Travel	1,841	691	-
Utilities	-	-	-
Total expenses before depreciation	<u>458,770</u>	<u>3,752</u>	<u>174,446</u>
Depreciation expense	-	-	-
Total expenses	<u>\$ 458,770</u>	<u>\$ 3,752</u>	<u>\$ 174,446</u>

The accompanying notes are an integral part of this statement.

Head Start Program	Total Program Services	Support Services	Totals
		Community Services Block Grant	
\$ 997,073	\$ 1,052,903	\$ 114,624	\$ 1,167,527
4,940	4,940	-	4,940
90,018	94,813	9,323	104,136
22,041	22,041	-	22,041
<u>1,114,072</u>	<u>1,174,697</u>	<u>123,947</u>	<u>1,298,644</u>
-	-	1,430	1,430
-	414,071	-	414,071
1,003	150,089	-	150,089
-	-	7,700	7,700
139,690	139,690	1,123	140,813
30,679	30,679	-	30,679
392,241	392,241	-	392,241
285	362	-	362
56,994	57,051	-	57,051
1,646	1,646	-	1,646
1,767	1,767	-	1,767
1,370	1,370	-	1,370
8,000	9,275	500	9,775
16,800	16,800	3,900	20,700
64,257	64,257	-	64,257
47,046	52,046	-	52,046
69,181	73,426	3,328	76,754
12,028	12,028	3,824	15,852
38,869	41,401	-	41,401
18,510	18,510	3,812	22,322
<u>2,014,438</u>	<u>2,651,406</u>	<u>149,564</u>	<u>2,800,970</u>
55,869	55,869	-	55,869
<u>\$ 2,070,307</u>	<u>\$ 2,707,275</u>	<u>\$ 149,564</u>	<u>\$ 2,856,839</u>

EVANGELINE COMMUNITY ACTION AGENCY, INC.
Ville Platte, Louisiana

Statement of Cash Flows
For the Year Ended January 31, 2010

Cash flows used for operating activities:	
Change in net assets	\$ (49,449)
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	55,869
Increase in grant receivable	(57,135)
Increase in accounts payable	36,966
Decrease in deferred revenue	<u>(4,555)</u>
Net cash used by operating activities	<u>(18,304)</u>
Cash flows from financing activities:	
Payment on long term debt	<u>(9,588)</u>
Net decrease in cash and cash equivalents	(27,892)
Cash, beginning of period	<u>141,681</u>
Cash, end of period	<u>\$ 113,789</u>

The accompanying notes are an integral part of this statement

EVANGELINE COMMUNITY ACTION AGENCY, INC.
Ville Platte, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

A. Nature of Activities

Evangeline Community Action Agency, Inc. (The Agency) is a non-profit organization, which was organized on February 25, 1965, and which shall continue in existence for a period of 99 years from that date unless dissolved earlier. It receives grants from federal and state governments to conduct various community service programs, and its primary purpose is to better the conditions under which people in the Evangeline Parish area live.

B. Financial Statement Presentation

Evangeline Community Action Agency, Inc. has adopted the provisions of Statements of Financial Accounting Standards No. 117, "Financial Statements of Not-for-Profit Organizations". Statement No. 117 requires Evangeline Community Action Agency, Inc. 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. In addition, the agency is required to present a statement of cash flows.

C. Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles.

D. Fixed Assets and Depreciation

Fixed assets are recorded at cost. Depreciation of fixed assets is calculated on the straight-line basis over an estimated useful life of 5-40 years. The Agency follows the practice of capitalizing all expenditures for equipment and buildings in accordance with each program's grant guidelines.

E. Budgets

Evangeline Community Action Agency, Inc. does not adopt budgets on a fiscal year basis. Each grant program's budget is based on its individual program year end and is approved by the program at the inception of the program. Budgetary amendments must generally be approved by the program as well.

EVANGELINE COMMUNITY ACTION AGENCY, INC.

Ville Platte, Louisiana

Notes to Financial Statements (Continued)

F. Compensated Absences

Vacation and sick leave are recorded as expenditures of the period in which paid. Sick leave is accumulated at 1 1/2 day's pay per month but is not payable upon termination or resignation. Annual leave accumulates at the rate of 1 1/2 days per month after the first three months. Upon termination or resignation, a maximum of nine days can be paid to the employee. Also, only nine days can be carried over from year to year. Any liability Evangeline Community Action Agency, Inc. might have in this regard at January 31, 2010, is considered immaterial; therefore, no liability has been recorded in the accounts.

G. Donated Services and Materials

Contributions of materials, facilities and services are recognized if they (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. These donated services and facilities were recorded at market value.

H. Statement of Cash Flows

The Evangeline Community Action Agency, Inc. considers all highly liquid investments with maturity of three months or less at the date of acquisition to be cash equivalents.

I. Total Columns

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position, results of operations and changes in net assets in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

J. Income Tax Status

The Agency qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, no provision for federal income taxes is made in the accompanying financial statements.

K. Estimates

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

EVANGELINE COMMUNITY ACTION AGENCY, INC.

Ville Platte, Louisiana

Notes to Financial Statements (Continued)

(2) Grant Receivable

Grant receivable consisted of the following at January 31, 2010:

Due from the Louisiana Department of Education - Food Services Program	\$ 19,361
Due from U.S. Department of Health and Human Services - Headstart	52,862
Community Services Block Grant	247
LIHEAP	<u>25,487</u>
	<u>\$97,957</u>

(3) Fixed Assets

Fixed assets at January 31, 2010 consisted of the following:

Furniture, fixtures and equipment	\$ 755,327
Vehicles	<u>440,799</u>
	1,196,126
Less: Accumulated depreciation	<u>(520,252)</u>
	<u>\$ 675,874</u>

(4) Notes Payable

The entity's note payable balance consists of the following at January 31, 2010:

Notes payable to Evangeline Bank & Trust, original amount of \$434,653, dated September 9, 2008, due in monthly installments of \$3,356, which includes interest at 7.15%, maturing in September 2028, secured by land and a building.	<u>\$ 417,145</u>
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EVANGELINE COMMUNITY ACTION AGENCY, INC.

Ville Platte, Louisiana

Notes to Financial Statements (Continued)

The annual requirements to amortize the note, including interest of \$345,300, follows:

<u>Year ending January 31,</u>	<u>Payment Due</u>
2011	\$ 40,266
2012	40,266
2013	40,266
2014	40,266
2015	40,266
2016-2020	201,330
2021-2025	201,330
2026-2028	158,455
	<u>\$762,445</u>

(5) Operating Leases

The Evangeline Community Action Agency, Inc. leases various buildings under operating leases expiring in various years. The minimum annual commitments under these operating leases are considered to be immaterial.

(6) Retirement

All employees of Evangeline Community Action Agency, Inc. participate in the Social Security System. The Corporation and its employees contribute a percentage of each employee's salary to the System (7.65% contributed by the Corporation, 7.65% by the employee). Retirement amounts are paid to the Social Security System, which is responsible for administration and disbursing benefits. The Corporation has no further liability for future deficits in the system.

Employees of the Evangeline Community Action Agency, Inc. have the option of participating in a defined contribution retirement plan. The Agency's contributions are equal to 4.2% of the annual salary of participating employees. During the year ended January 31, 2010, the Agency's contribution to the plan totaled \$22,041.

(7) Pending Litigation

There is no pending litigation against the Evangeline Community Action Agency, Inc. at January 31, 2010.

EVANGELINE COMMUNITY ACTION AGENCY, INC.

Ville Platte, Louisiana

Notes to Financial Statements (Continued)

(8) Compensation Paid to Members of the Board of Directors

Members of the Board of Directors of Evangeline Community Action Agency, Inc. receive no compensation and are reimbursed only for any expenses incurred relating to the Agency's business, which must have appropriate supporting documentation.

(9) Contributed Facilities, Services, and Materials

Contributed facilities represent the estimated fair rental value of office and storage space. Contributed services represent volunteer teachers, doctors, and attorneys in which the value of the service creates or enhances non-financial assets or the service is specialized and would otherwise be purchased if not provided by donation. Contributed facilities, services, and materials are reflected in the financial statements at fair value, which amounted to \$392,241 for the year ended January 31, 2010.

(10) Grant Revenue

The Agency's major source of revenue is grants from federal and state governmental entities. The use of these funds is restricted to the purpose set forth in the individual grant agreements. Such grant agreements are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of Evangeline Community Action Agency, Inc., such disallowances, if any, will not be significant.

(11) Concentrations

The Agency receives a substantial amount of its support from the U.S. Department of Health and Human Services - Headstart program. A significant reduction in the level of this support or suspension in funding may have an effect on the continuing operations of the Evangeline Community Action Agency, Inc.

(12) Subsequent Events

Subsequent events were evaluated through July 27, 2010, which is the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

INDIVIDUAL PROGRAMS/FUNDS

Accounts Payable/Payroll -

The clearing accounts which are used for the disbursement of accounts payable and payroll checks for all programs.

Food Services Program -

To account for receipt and expenditure of federal grant funds passed through the Louisiana Department of Education for meals for needy children at Headstart locations.

Community Service Block Grant -

To account for the receipt and subsequent use of federal grant funds passed through the Louisiana Department of Labor to be used for administrative and other budgeted purposes.

Head Start Program -

To account for the receipt and expenditure of funds received from the U.S. Department of Health & Human Services for Head Start, which provides educational, psychological, nutritional, medical, dental and social services to needy pre-school children in the area.

Energy Assistance Grants

To account for the receipt and subsequent use of federal grant funds passed through the Louisiana Department of Health & Human Resources to be used for the payment of home energy bills for qualifying residents of the area.

Local Grants -

To account for local funds received for energy grants, medicine assistance and teen outreach programs.

EVANGELINE COMMUNITY ACTION AGENCY, INC.
Ville Platte, Louisiana

Combining Statement of Financial Position
January 31, 2010

	Accounts Payable/ Payroll	Food Services Program	Community Services Block Grant
ASSETS			
Current assets:			
Cash	\$ 7,887	\$ 3,378	\$ 182
Grant receivable	-	19,361	247
Total current assets	7,887	22,739	429
Fixed assets at cost - less accumulated depreciation of \$520,252			
	-	-	-
Total assets	\$ 7,887	\$22,739	\$ 429
LIABILITIES AND NET ASSETS			
Liabilities -			
Current liabilities:			
Accounts payable	\$ 3,757	\$ 19,329	\$ 429
Deferred revenue	-	-	-
Note payable	-	-	-
Total current liabilities	3,757	19,329	429
Non-current liabilities:			
Note payable	-	-	-
Total liabilities	3,757	19,329	429
Net assets - unrestricted	4,130	3,410	-
Total liabilities and net assets	\$ 7,887	\$22,739	\$ 429

<u>Head Start Program</u>	<u>Energy Assistance Grants</u>	<u>Local Grants</u>	<u>Totals</u>
\$ 1,810	\$48,636	\$ 51,896	\$ 113,789
<u>52,862</u>	<u>25,487</u>	<u>-</u>	<u>97,957</u>
54,672	74,123	51,896	211,746
<u>675,874</u>	<u>-</u>	<u>-</u>	<u>675,874</u>
<u>\$ 730,546</u>	<u>\$ 74,123</u>	<u>\$ 51,896</u>	<u>\$ 887,620</u>
\$ 57,403	\$ -	\$ -	\$ 80,918
-	3,500	-	3,500
<u>10,789</u>	<u>-</u>	<u>-</u>	<u>10,789</u>
68,192	3,500	-	95,207
<u>406,356</u>	<u>-</u>	<u>-</u>	<u>406,356</u>
474,548	3,500	-	501,563
<u>255,998</u>	<u>70,623</u>	<u>51,896</u>	<u>386,057</u>
<u>\$ 730,546</u>	<u>\$ 74,123</u>	<u>\$ 51,896</u>	<u>\$ 887,620</u>

EVANGELINE COMMUNITY ACTION AGENCY, INC.
Ville Platte, Louisiana

Schedule of Grant Revenue
Year Ended January 31, 2010

LIHEAP/LACAP	\$ 455,723
Food Services Program	170,161
Community Services Block Grant	149,564
Headstart	1,560,235
ARRA - Headstart	71,500
Local grants	<u>7,916</u>
	<u>\$ 2,415,099</u>

**INTERNAL CONTROL, COMPLIANCE
AND
OTHER GRANT INFORMATION**

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Mr. Gervis LaFleur, Executive Director
and Members of the Board of Directors
Evangeline Community Action Agency, Inc.
Ville Platte, Louisiana

We have audited the financial statements of Evangeline Community Action Agency, Inc., (a nonprofit organization), as of and for the year ended January 31, 2010, and have issued our report thereon dated July 27, 2010. We conducted our 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Evangeline Community Action Agency, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Evangeline Community Action Agency, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Evangeline Community Action Agency, 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 and correct 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.

Our consideration of the 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. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 10-1(IC) that we consider to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Evangeline Community Action Agency, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 or other matters that are required to be reported under Government Auditing Standards.

Evangeline Community Action Agency, Inc.'s response to the findings identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan. We did not audit Evangeline Community Action Agency's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the board of directors, management, 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. However, this report is a matter of public record and its distribution is not limited.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
July 27, 2010

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Mr. Gervis LaFleur, Executive Director,
and Members of the Board of Directors
Evangeline Community Action Agency, Inc.
Ville Platte, Louisiana

Compliance

We have audited the compliance of Evangeline Community Action Agency, Inc., (a nonprofit organization) 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 January 31, 2010. Evangeline Community Action Agency, 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 Evangeline Community Action Agency, Inc.'s management. Our responsibility is to express an opinion on Evangeline Community Action Agency, Inc.'s compliance based on our audit.

We conducted our 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 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 Evangeline Community Action Agency, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Evangeline Community Action Agency, Inc.'s compliance with those requirements.

In our opinion, Evangeline Community Action Agency, Inc. complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended January 31, 2010.

Internal Control Over Compliance

Management of Evangeline Community Action Agency, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Evangeline Community Action Agency, Inc.'s internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Evangeline Community Action Agency, 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.

Our 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Directors, management, 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. However, this report is a matter of public record and its distribution is not limited.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
July 27, 2010

EVANGELINE COMMUNITY ACTION AGENCY, INC.
Ville Platte, Louisiana

Schedule of Expenditures of Federal Awards
Year Ended January 31, 2010

Federal Grantor/Pass Through Grantor/Program Title	CFDA Number	Federal Expenditures
U.S. Department of Agriculture:		
<i>Passed through Louisiana Dept. of Education - Child and Adult Care Food Program</i>	10.558	<u>\$ 174,446</u>
U.S. Department of Health and Human Services:		
Direct Program -		
Headstart	93.600	1,550,698
ARRA - Headstart	93.708	71,499
Passed through Louisiana Dept. of Employment and Training - Community Services Block Grant	93.569	149,564
Passed through Louisiana Housing Finance Agency - Low-Income Home Energy Assistance	93.568	<u>458,770</u>
Total Department of Health and Human Services		<u>2,230,531</u>
Total		<u>\$ 2,404,977</u>

EVANGELINE COMMUNITY ACTION AGENCY, INC.
Ville Platte, Louisiana

Notes to Schedule of Expenditures of Federal Awards
Year Ended January 31, 2010

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Evangeline Community Action Agency, Inc. and is presented on the accrual basis of accounting. The information 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 in, or used in the preparation of, the basic financial statements.

(2) Headstart

In accordance with terms of the grant, the organization has expended matching contributions totaling \$392,241 during the year ended January 31, 2010.

EVANGELINE COMMUNITY ACTION AGENCY, INC.
Ville Platte, Louisiana

Schedule of Findings and Questioned Costs
Year Ended January 31, 2010

Part I. Summary of Auditor's Results:

1. The auditor's report expressed an unqualified opinion on the financial statements.
2. One significant deficiency in internal control that is not considered to be a material weakness was disclosed by the audit of the financial statements.
3. No instances of noncompliance material to the financial statements were disclosed during the audit.
4. No deficiencies in internal control over the major programs were disclosed during the audit.
5. The auditor's report on compliance for the major federal award programs expressed an unqualified opinion.
6. The audit disclosed no audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The major programs were the U.S. Department of Health and Human Services - Headstart Program, CFDA No. 93.600 and ARRA - Headstart Program, CFDA No. 93.708.
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of OMB Circular A-133 was \$300,000.
9. The auditee did not qualify as a low-risk auditee.

Part II. Findings which are required to be reported in accordance with generally accepted governmental auditing standards:

A. Compliance Findings -

There were no compliance findings to be reported in accordance with generally accepted Governmental Auditing Standards.

B. Internal Control Findings -

See internal control finding 10-1(IC) in the Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan.

(continued)

EVANGELINE COMMUNITY ACTION AGENCY, INC.
Ville Platte, Louisiana

Schedule of Findings and Questioned Costs (Continued)
Year Ended January 31, 2010

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of OMB Circular A-133:

There are no findings that are required to be reported under the above guidance

EVANGELINE COMMUNITY ACTION AGENCY, INC.
Ville Platte, Louisiana

Summary Schedule of Current and Prior Year Audit
Findings and Corrective Action Plan
Year Ended January 31, 2010

Fiscal Year Finding Initially Occurred	Description of Finding/ Management Letter Comment	Corrective Action Taken	Planned Corrective Action/Partial Corrective Action Taken	Name of Contact Person	Anticipated Date of Completion
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CURRENT YEAR (1/31/2010) --

Compliance:

There were no compliance findings.

Internal Control:

10-1(C) 2009 The Organization does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.

The Organization has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the entity to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

PRIOR YEAR (1/31/2009) --

Compliance:

09-1(C) 2009 The final SF-269 Financial Status Report for the year ending January 31, 2009 was not submitted on the required due date.

Gervis Lafleur,
Executive Director N/A

Internal Control:

09-2(C) 2009 The Organization does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.

The Organization has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the entity to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

09-3(C)

2009

See compliance finding 09-01(C)