

**BEAUREGARD COMMUNITY ACTION
ASSOCIATION, INC.
DeRidder, Louisiana**

**Financial Statements
September 30, 2005**

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 6-21-06

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BROUSSARD & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS, L.L.C.

Founded in 1978

INDEPENDENT AUDITORS' REPORT

Board of Directors
Beauregard Community Action Association, Inc.
DeRidder, Louisiana

We have audited the accompanying statement of financial position of Beauregard Community Action Association, Inc., (a non-profit organization) as of September 30, 2005, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of Beauregard Community Action Association, Inc.'s management. 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 *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 Beauregard Community Action Association, Inc. at September 30, 2005, and the results of its operations and changes in net assets and cash flows for the year then ended in conformity with generally accepted accounting principles of the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 22, 2006, on our consideration of the Association's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and 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.

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Our audit was performed for the purpose of forming an opinion on the basic financial statements 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 also not a required part of the 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.

Bronson & Company

Lake Charles, Louisiana
May 22, 2006

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Statement of Financial Position
September 30, 2005

ASSETS	
Cash and cash equivalents	\$ 38,559
Grants receivable	53,561
Other receivables	875
Property and equipment	<u>95,928</u>
Total Assets	<u><u>188,923</u></u>
 LIABILITIES	
Accounts payable	<u>16,597</u>
Total Liabilities	<u>16,597</u>
 NET ASSETS - UNRESTRICTED	 <u>172,326</u>
 TOTAL LIABILITIES AND NET ASSETS	 \$ <u><u>188,923</u></u>

See accompanying notes to financial statements.

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Statement of Activity and Changes of Net Assets
For The Year Ended September 30, 2005

	<u>General and Administrative</u>	<u>CSBG</u>
REVENUES		
State and federal grants	\$ -	\$ 102,123
Other	<u>3</u>	<u>-</u>
Total Revenues	<u>3</u>	<u>102,123</u>
EXPENSES		
Program Services		
Salaries	-	69,510
Fringe benefits	-	6,717
Travel	-	115
Program services	<u>-</u>	<u>19,717</u>
Total Program Services	<u>-</u>	<u>96,059</u>
General and Administrative		
Fringe benefits and other	17,231	-
Depreciation	<u>-</u>	<u>-</u>
Total General and Administrative	17,231	-
OTHER CHANGES		
Acquisition of property and equipment	<u>-</u>	<u>-</u>
CHANGE IN NET ASSETS	(17,228)	6,064
UNRESTRICTED NET ASSETS - Beginning	<u>(3,817)</u>	<u>207</u>
UNRESTRICTED NET ASSETS - Ending	<u>\$ (21,045)</u>	<u>\$ 6,271</u>

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.

DeRidder, Louisiana

Statement of Activity and Changes of Net Assets

For The Year Ended September 30, 2005

	<u>Energy Assistance Program</u>	<u>Head Start and CACFP</u>	<u>Medicaid Program</u>
REVENUES			
State and federal grants	\$ -	\$ 767,368	\$ -
Other	<u>375</u>	<u>-</u>	<u>3,892</u>
Total Revenues	<u>375</u>	<u>767,368</u>	<u>3,892</u>
EXPENSES			
Program Services			
Salaries	-	200,706	3,259
Fringe benefits	-	24,978	424
Travel	-	4,240	-
Program services	<u>603</u>	<u>434,910</u>	<u>354</u>
Total Program Services	<u>603</u>	<u>664,834</u>	<u>4,037</u>
General and Administrative			
Fringe benefits and other	-	-	-
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>
Total General and Administrative	-	-	-
OTHER CHANGES			
Acquisition of property and equipment	<u>-</u>	<u>(101,781)</u>	<u>-</u>
CHANGE IN NET ASSETS	(228)	753	(145)
UNRESTRICTED NET ASSETS - Beginning	<u>2,359</u>	<u>-</u>	<u>(1,177)</u>
UNRESTRICTED NET ASSETS - Ending	<u>\$ 2,131</u>	<u>\$ 753</u>	<u>\$ (1,322)</u>

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Statement of Activity and Changes of Net Assets
For The Year Ended September 30, 2005

	Emergency Food and <u>Shelter</u>	<u>LIHEAP</u>	<u>CHDO</u>
REVENUES			
State and federal grants	\$ 17,881	\$ 6,250	\$ -
Other	<u>-</u>	<u>-</u>	<u>11,098</u>
Total Revenues	<u>17,881</u>	<u>6,250</u>	<u>11,098</u>
EXPENSES			
Program Services			
Salaries	-	3,177	15,721
Fringe benefits	-	348	1,445
Travel	-	-	92
Program services	<u>20,036</u>	<u>817</u>	<u>1,236</u>
Total Program Services	<u>20,036</u>	<u>4,342</u>	<u>18,494</u>
General and Administrative			
Fringe benefits and other	-	-	-
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>
Total General and Administrative	-	-	-
OTHER CHANGES			
Acquisition of property and equipment	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET ASSETS	(2,155)	1,908	(7,396)
UNRESTRICTED NET ASSETS - Beginning	<u>5,945</u>	<u>1,607</u>	<u>64,741</u>
UNRESTRICTED NET ASSETS - Ending	<u>\$ 3,790</u>	<u>\$ 3,515</u>	<u>\$ 57,345</u>

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Statement of Activity and Changes of Net Assets
For The Year Ended September 30, 2005

	<u>Resource Center</u>	<u>Property</u>	<u>Total</u>
REVENUES			
State and federal grants	\$ 150,473	\$	\$ 1,044,095
Other	<u>-</u>	<u>-</u>	<u>15,368</u>
Total Revenues	<u>150,473</u>	<u>-</u>	<u>1,059,463</u>
EXPENSES			
Program Services			
Salaries	50,452		342,825
Fringe benefits	6,308		40,220
Travel	-		4,447
Program services	<u>85,240</u>	<u>-</u>	<u>562,913</u>
Total Program Services	<u>142,000</u>	<u>-</u>	<u>950,405</u>
General and Administrative			
Fringe benefits and other	-		17,231
Depreciation	<u>-</u>	<u>8,906</u>	<u>8,906</u>
Total General and Administrative	-	8,906	26,137
OTHER CHANGES			
Acquisition of property and equipment	<u>-</u>	<u>101,781</u>	<u>-</u>
CHANGE IN NET ASSETS	8,473	92,875	82,921
UNRESTRICTED NET ASSETS - Beginning	<u>16,487</u>	<u>3,053</u>	<u>89,405</u>
UNRESTRICTED NET ASSETS - Ending	\$ <u><u>24,960</u></u>	\$ <u><u>95,928</u></u>	\$ <u><u>172,326</u></u>

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Statement of Cash Flows
For the Year Ended September 30, 2005

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from supporters, grants, programs, fees	\$ 1,031,468
	<u>-</u>
Cash Provided By Operating Activities	<u>1,031,468</u>
Cash paid to employees, suppliers, and for programs	<u>961,097</u>
Cash Disbursed For Operating Activities	<u>961,097</u>
Net Cash Provided by Operating Activities	<u>70,371</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of equipment and vehicles	<u>(101,781)</u>
Net Cash Provided by Investing Activities	<u>(101,781)</u>
Net Increase In Cash	(31,410)
CASH AND CASH EQUIVALENTS	
Beginning	<u>69,969</u>
Ending	\$ <u><u>38,559</u></u>
RECONCILIATION OF INCREASE IN UNRESTRICTED	
NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Increase (decrease) in unrestricted net assets	\$ 82,921
Adjustments to reconcile changes in excess of revenue and support over expenses to net cash provided by operating activities:	
Depreciation	8,906
(Increase) decrease in receivables	(27,995)
Increase (decrease) in accounts payable and bank overdraft	<u>6,539</u>
Net Cash Provided (Used) by Operating Activities	\$ <u><u>70,371</u></u>

See accompanying notes to financial statements.

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Notes to Financial Statements
September 30, 2005

Note 1 - Nature of Organization and Summary of Significant Accounting Policies :

Nature of Organization

The Beauregard Community Action Association, Inc. was incorporated under the laws of the State of Louisiana on September 16, 1965. The Association is a non-profit community action association which is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. The laws of the State of Louisiana exempt the Association from Louisiana taxation.

Grants, miscellaneous contributions of cash, and other assets are reported as unrestricted support unless donor stipulations are not removed during the fiscal year.

The Association's primary source of revenue is federal and state grant monies, which provide services to elderly and low-income clients.

Program and Supporting Services

The following programs and supporting services are included in the accompanying financial statements:

CSBG - The CSBG accounts for funds granted by the United States Department of Health and Human Services under the Community Services Block Grant Program.

Energy Assistance Program - The Energy Assistance Program accounts for funds donated to local utility companies by the public to provide to low income families.

Medicaid Program - Beauregard Community Action Association is an enrollment center with staff trained to complete applications. Persons wishing to apply must be interviewed and provide required documentation of living and financial status. This program is a cost reimbursement program through the Department of Health and Hospitals.

Emergency Food and Shelter - The Emergency Food and Shelter accounts for funds granted by the Emergency Food and Shelter National Board Program.

LIHEAP - The LIHEAP accounts for funds granted by the United States Department of Health and Human Services under the Low Income Home Energy Assistance Block Grant Program.

Community Housing Development Organization (CHDO) - This fund is financed by the U.S. Department of Housing and Urban Development through the Louisiana Housing Finance Agency acting on behalf of the State of Louisiana. The Agency is responsible for identifying potential sites for the project, ranking the sites by specified criteria, selecting the optimal sites and then providing additional technical assistance and site control loan as needed.

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.

DeRidder, Louisiana

Notes to Financial Statements (Continued)

September 30, 2005

Resource Center -- The scope of this program is to provide a continuum of services to families that may be in danger of disruption and displacement of the children in the family from their biological roots. The program is funded through the office of Community Services.

Head Start -- The objectives of this program is to provide comprehensive health, educational, nutritional, social, and other developmental services primarily to economically disadvantaged preschool children so that the children will attain school readiness. Parents receive social services and participate in various decision-making processes related to the operation

Method of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting, in accordance with generally accepted accounting principles.

Estimates

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

Cash and Cash Equivalents

For purposes of reporting cash flows, the Association considers all highly liquid debt investments purchased with a maturity of three months or less to be cash equivalents.

Property and Equipment

Property and equipment is stated at cost. It is the Association's policy to capitalize expenditures for these items in excess of \$500. Depreciation of property and equipment is computed principally by the straight-line method over 5 - 10 years.

Funding Policies

The Association receives their monies through basically three methods of funding. Most of the funds are obtained through grants. Under this method, funds are received on a monthly allocation of the total budget in advance of the actual expenditure. The Association also receives funds as a reimbursement of actual expenditures. The other method by which the Association receives funding is through private and in-kind contributions.

Compensated Absences

Employees accrue vacation leave based on years of service. At September 30, 2005, accrued vacation leave was approximately \$6,600 based on the current pay levels and maximum carryover amounts. This amount is not reflected in the financial statements based on the above criteria.

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Notes to Financial Statements (Continued)
September 30, 2005

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For purposes of reporting cash flows, the Association considers all highly liquid debt investments purchased with a maturity of three months or less to be cash equivalents.

Property and Equipment

Property and equipment is stated at cost. It is the Association's policy to capitalize expenditures for these items in excess of \$500. Depreciation of property and equipment is computed principally by the straight-line method over 5 - 10 years.

Funding Policies

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Compensated Absences

Employees accrue vacation leave based on years of service. At September 30, 2005, accrued vacation leave was approximately \$6,600 based on the current pay levels and maximum carryover amounts. This amount is not reflected in the financial statements based on the above criteria.

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Notes to Financial Statements (Continued)
September 30, 2005

Note 1 - Summary of Significant Accounting Policies (Continued):

Functional Expenses

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

Deposits with Financial Institutions

The Association's bank balances of deposits with financial institutions at September 30, 2005 were fully insured by the Federal Deposit Insurance Corporation.

Note 2 - Board Members

During the period covered by our audit, there were no payments made to or on behalf of board members.

Note 3 - Claims and Contingencies

The Association receives revenues from various Federal and State grant programs which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the agency and the Association.

Note 4 - Operating Leases

The Association leases office equipment on a month to month lease of \$395 per month. Additionally, the Association leases its facility from the Beauregard Parish Police Jury for \$100 per month. The lease term is renewed annually. The Resource Center has a two year lease of \$600 per month. Operating lease payments for the year totaled \$4,740 for the equipment and \$7,000 for the facilities.

Note 5 - Economic Dependency

The Association receives the majority of its revenue from funds provided through grants. The grant amounts are appropriated each year by the Federal and State governments. The significant budget cuts are made at the Federal and/or State level, the amount of funds the association receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Association will receive in the next fiscal year.

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Schedule of Expenditures of Federal Awards
September 30, 2005

	CFDA No.		
Community Services Block Grant	93.569	\$	102,123
Low Income Home Energy Assistance	93.568		6,250
Emergency Food and Shelter	14.231		17,881
Resource Center			144,976
Headstart	93.600		742,521
CACFP			<u>16,716</u>
		\$	<u><u>1,030,467</u></u>

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Summary Schedule of Prior Audit Findings
Year Ended September 30, 2004

NONE



BROUSSARD & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS, L.L.C.

Founded in 1978

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Board of Directors
Beauregard Community Action Association, Inc.
DeRidder, Louisiana

We have audited the financial statements of Beauregard Community Action Association, Inc. as of and for the year ended September 30, 2005, and have issued our report thereon dated May 22, 2006. 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 Beauregard Community Action Association, 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 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Beauregard Community Action Association, 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 an instance of noncompliance that is required to be reported under *Government Auditing Standard* which are described in the accompanying schedule of findings and questioned costs as item 2005-1.

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The Board of Directors
Beauregard Community Action Association, Inc.
Lake Charles, Louisiana
Page 2

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

Broussard & Company

Lake Charles, Louisiana
May 22, 2006



BROUSSARD & COMPANY

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

The Board of Directors
Beauregard Community Action Association, Inc.
DeRidder, Louisiana

Compliance

We have audited the compliance of Beauregard Action Association, 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 September 30, 2005. Family and Youth Counseling 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 Beauregard Action Association, Inc.'s, management. Our responsibility is to express an opinion on Beauregard Action Association, 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 non-compliance 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 Beauregard Community Action Association, Inc.'s, compliance with those requirements 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 Beauregard Community Action Association, Inc.'s, compliance with those requirements.

In our opinion, Beauregard Community Action Association, Inc., complied in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the September 30, 2005.

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Board of Directors
Beauregard Community Action Association, Inc.
DeRidder, Louisiana
Page 2

Internal Control Over Compliance

The management of Beauregard Community Action Association, 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 Beauregard Community Action Association, 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 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 of the, management, the Legislative Auditor of the State of Louisiana, and federal and state 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.

Broussard & Company

Lake Charles, Louisiana
May 22, 2006