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

**Financial statements  
With Auditors' Report**

**For the Years Ended December 31, 1998 and 1997**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 8-4-99

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

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## Independent Auditors' Report

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

We have audited the accompanying statements of financial position of the Bossier Office of Community Services, Inc., as of December 31, 1998 and 1997, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Bossier Office of Community Services, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

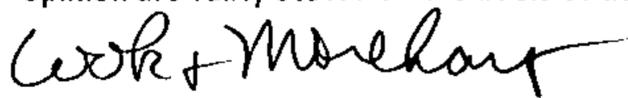
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bossier Office of Community Services, Inc. as of December 31, 1998 and 1997, and the changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 14, 1999 on our consideration of Bossier Office of Community Services, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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

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

The accompanying supplemental schedules, listed as "Supplemental Information Schedules Prepared For Grants and Contracts Analysis" in the table of contents and shown on pages 16-23 are presented for the purpose of providing various funding sources of Bossier Office of Community Services, Inc. additional individual grant and contract analysis and are not a required part of the financial statements. The information is prepared on a prescribed basis of the various funding sources of Bossier Office of Community Services, Inc., and certain schedules are for periods other than the organization's fiscal year. These schedules are not presented in accordance with generally accepted accounting principles. Accordingly, the schedules mentioned previously on pages 16-23 are not intended to present financial position and results of operations in conformity with generally accepted accounting principles. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and in our opinion are fairly stated on the basis of accounting practices prescribed by the various funding sources.



Cook & Morehart  
Certified Public Accountants  
May 14, 1999

Bossier Office of Community Services, Inc.  
 Bossier City, Louisiana  
 Statements of Financial Position  
 December 31, 1998 and 1997

Assets

	1998	1997
Current assets:		
Cash	\$ 245,780	\$ 72,553
Grant receivables	231,951	148,441
Account receivable-other	20,398	5,168
Due from other funds	95,506	54,442
Total current assets	593,635	280,604
Property and equipment:		
Property and equipment	1,059,793	840,359
Accumulated depreciation	(540,827)	(402,257)
Net property and equipment	518,966	438,102
<b>Total Assets</b>	<b>\$ 1,112,601</b>	<b>\$ 718,706</b>
 Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 86,241	\$ 53,355
Accrued liabilities	66,342	51,473
Due to other funds	95,506	54,442
Other Liabilities	26,700	
Refundable advances	81,169	37,144
Total current liabilities	355,958	196,414
Net assets:		
Unrestricted:		
Operating	76,316	73,243
Designated for specific programs	161,361	10,947
Fixed assets	518,966	438,102
Total net assets	756,643	522,292
<b>Total liabilities and Net Assets</b>	<b>\$ 1,112,601</b>	<b>\$ 718,706</b>

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

Bossier Office of Community Services, Inc.  
 Bossier City, Louisiana  
 Statements of Activities  
 For the Years Ended December 31, 1998 and 1997

	Unrestricted	
Revenues and Other Support:	1998	1997
Contractual revenue - grants	\$ 3,593,750	\$ 2,752,442
Miscellaneous revenues	180,710	54,380
Total revenues and other support	3,774,460	2,806,822
Expenses:		
Head start program	1,443,643	1,354,891
Child nutrition	216,292	172,702
Community services	218,583	165,520
Transit services	100,899	106,934
Family day care home	316,928	385,838
Home energy assistance	379,885	196,532
Weatherization assistance	206,948	151,117
Summer child care	203,670	95,145
Youth Shelter	440,345	
Commodities distribution	5,392	3,458
General services	7,524	8,403
Total expenses	3,540,109	2,640,540
Changes in net assets	234,351	166,282
Net assets, beginning of year, as previously reported	522,292	632,500
Prior period correction		(276,490)
Net assets, beginning of year, as restated	522,292	356,010
Net assets, end of year	\$ 756,643	\$ 522,292

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

Bossier Office of Community Services, Inc.  
 Bossier City, Louisiana  
 Statements of Cash Flows  
 For the Years Ended December 31, 1998 and 1997

Operating Activities	1998	1997
Change in net assets	\$ 234,351	\$ 166,282
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	76,378	61,026
(Increase) decrease in operating assets:		
Grant receivables	(83,510)	81,147
Other receivables	(15,230)	(1,129)
Increase (decrease) in operating liabilities		
Accounts payable	32,886	(79,240)
Accrued liabilities	14,869	31,540
Other liabilities	26,700	
Refundable advances	44,025	(12,673)
Net cash provided by operating activities	330,469	246,953
 Investing Activities		
Payments for property and equipment	(157,242)	(204,567)
Net cash used in investing activities	(157,242)	(204,567)
 Net (decrease) in cash	173,227	42,386
 Cash as of beginning of year	72,553	30,167
 Cash as of end of year	\$ 245,780	\$ 72,553

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

Bossier Office of Community Services, Inc.  
Bossier City, Louisiana  
Notes to Financial Statements  
December 31, 1998 and 1997

(1) Summary of Significant Accounting Policies

A. Nature of Activities

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

In May 1996, the Bossier Parish Police Jury voted to relinquish their authority as governing board of BOCS and allow BOCS to become a private non-profit organization, effective January 1, 1997. Therefore, in previous years, BOCS was included as a component unit of the Police Jury but is now reported as an independent organization incorporated under the laws of the State of Louisiana as a private non-profit organization.

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

**Head Start Program (40%)** – Provides comprehensive early child development for disadvantaged and handicapped preschool children and their families. Financing is provided through federal funds from the Department of Health and Human Services and federal funds passed through Caddo Community Action Agency for training and technical assistance.

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

**Community Services (6%)** – Provides assistance to the poor, disadvantaged and unemployed through housing services, community projects, nutrition services, emergency assistance, employment services, transportation services, and other services. Financing is provided by federal funds passed through the State of Louisiana, Department of Labor.

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

(Continued)

Bossier Office of Community Services, Inc.  
Bossier City, Louisiana  
Notes to Financial Statements  
December 31, 1998 and 1997  
(Continued)

**Family Day Care Home (8%)** – Operates a food service program for children in private nonprofit centers of approximately 160 homes. Financing is provided by federal funds passed through the State of Louisiana, Department of Education.

**Home Energy Assistance (10%)** – Provides assistance to low income households in offsetting the burden of high energy costs. Financing is provided by federal funds passed through the State of Louisiana, Department of Social Services.

**Weatherization Assistance (5%)** – Weatherizes (insulates) the dwellings of low-income persons, particularly the elderly and handicapped in order to conserve needed energy and aid those persons least able to afford higher utility costs. Financing is provided by federal funds passed through the State of Louisiana, Department of Social Services.

**Summer Child Care (5%)** – Provides quality child care during the summer months to children meeting specified criteria. Funding is provided by federal funds passed through the State of Louisiana, Department of Social Services.

**Johnny Gray Jones Youth Shelter (16%)** – Accounts for the maintenance and operation of a regional youth shelter which provides a temporary facility for juvenile status offenders until their disposition can be decided. Funding is provided by federal funds from the Department of Health and Human Services, state funds from the Department of Public Safety and Corrections, and various other revenues.

**Commodities Distribution (.1%)** – Provides distribution of USDA donated commodities to eligible persons in the community. Funding is provided by federal funds passed through the State of Louisiana, Department of Agriculture and Forestry.

**B. Basis of Accounting**

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

**C. Basis of Presentation**

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

(Continued)

Bossier Office of Community Services, Inc.  
Bossier City, Louisiana  
Notes to Financial Statements  
December 31, 1998 and 1997  
(Continued)

D. Income Tax Status

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

E. Use of Estimates

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

F. Cash and Cash Equivalents

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

G. Property and Equipment

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

H. Revenue and Support

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

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

(Continued)

Bossier Office of Community Services, Inc.  
Bossier City, Louisiana  
Notes to Financial Statements  
December 31, 1998 and 1997  
(Continued)

I. Pension Plan

Employees of BOCS are members of the social security system. There are no other retirement plans available through BOCS.

J. Expense Allocation

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

(2) Concentrations of Credit Risk

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

Concentrations of credit risk with respect to grant receivables are limited due to these amounts being due from governmental agencies under contractual terms. As of December 31, 1998 and 1997, BOCS had no significant concentrations of credit risk in relation to grant receivables.

BOCS maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. At December 31, 1998, total cash balances held at financial institutions was \$330,724. Of this amount, \$152,344 was insured by FDIC and the remaining amount was not secured. At December 31, 1997 total cash balances held at financial institutions was \$96,259. This entire amount was insured by FDIC.

(3) Grant Receivables

Various funding sources provide reimbursement of allowable costs under contracts or agreements. These balances represent amounts due from funding sources at December 31, 1998 and 1997, but received after those dates.

(Continued)

Bossier Office of Community Services, Inc.  
 Bossier City, Louisiana  
 Notes to Financial Statements  
 December 31, 1998 and 1997  
 (Continued)

(4) Property and Equipment

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

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

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

Property and equipment consisted of the following at December 31, 1997:

	Estimated Depreciable Life	Purchased With Federal Funds	Purchased With Non-Federal Funds	Total
Buildings	20-30 years	\$ 282,232	-	282,232
Land		13,326	-	13,326
Furniture and equipment	5-10 years	58,606	-	58,606
Vehicles	5 years	477,295	8,900	486,195
Accumulated depreciation		( 393,757)	( 8,500)	( 402,257)
Net investment in property and equipment		<u>\$ 437,702</u>	<u>\$ 400</u>	<u>\$ 438,102</u>

Depreciation expense for the year ended December 31, 1997 was \$61,026.

(Continued)

Bossier Office of Community Services, Inc.  
Bossier City, Louisiana  
Notes to Financial Statements  
December 31, 1998 and 1997  
(Continued)

(5) Due To and From Other Funds

The following schedule represents amounts due to and due from other funds at December 31, 1998 and 1997:

<u>Fund</u>	<u>1998</u>		<u>1997</u>	
	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Unrestricted Fund	\$ 62,993	\$ 12,900	\$ 46,380	\$ 710
Restricted Funds:				
Head Start - due from Child and Adult Care Food program	6,381	-	2,283	-
Early Head Start	-	1,663	-	-
Child and Adult Care Food	-	8,035	-	2,283
Community Services Block Grant	-	19,010	-	19,245
Transit System	-	11,000	-	13,600
Family Day Care Home	3,770	-	-	9,004
Low-Income Home Energy Assistance	-	27,068	5,779	9,600
Weatherization	7,808	-	-	-
Summer Child Care	1,654	-	-	-
Johnny Gray Jones Youth Shelter	12,900	15,830	-	-
	<u>\$ 95,506</u>	<u>\$ 95,506</u>	<u>\$ 54,442</u>	<u>\$ 54,442</u>

(6) Accrued Liabilities

At December 31, 1998 and 1997, accrued liabilities consisted of the following:

	<u>1998</u>	<u>1997</u>
Accrued payroll	\$ 20,260	\$ 15,376
Accrued leave	36,428	28,214
Payroll taxes payable	9,654	7,883
	<u>\$ 66,342</u>	<u>\$ 51,473</u>

(7) Refundable Advances

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

(8) Designated Fund Balance

The designated fund balance at December 31, 1998 consisted of \$24,998 that is designated for use within the Transit Services Program and \$136,363 designated for the Johnny Gray Jones Youth Shelter Program. The designated fund balance at December 31, 1997 consisted of \$10,734 that is designated for use within the Transit Services Program and \$213 designated for use within the Home Energy Assistance Program.

(Continued)

Bossier Office of Community Services, Inc.  
 Bossier City, Louisiana  
 Notes to Financial Statements  
 December 31, 1998 and 1997  
 (Continued)

(9) Contractual Revenue – Grants

During the years ended December 31, 1998 and 1997, BOCS received contractual revenue from federal and state grants in the amount of \$3,593,750 and \$2,752,442, respectively. The continued existence of these funds is based on annual contract renewals with various funding sources.

(10) Leases

BOCS leases certain buildings and equipment under operating leases. Rental costs on those leases for the years ended December 31, 1998 and 1997 were \$13,945 and \$12,694, respectively. Those leases having initial or remaining non-cancelable terms in excess of one year are as follows:

<u>Year Ending December 31</u>	<u>Amount</u>
1999	\$ 15,806
2000	<u>5,573</u>
	<u>\$ 21,379</u>

(11) Commodities Distribution

The expenses shown as commodities distribution represent certain costs to distribute the commodities. The value of the commodities distributed during January 1, 1998 to December 31, 1998 was approximately \$24,866. The value of the commodities distributed during January 1, 1997 to December 31, 1997 was approximately \$12,486. The value of the commodities distributed is not reflected in the accompanying financial statements.

(12) Johnny Gray Jones Youth Shelter Operations

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

Bossier Offices of Community Services, Inc.  
Bossier City, Louisiana  
Combining Schedule of Financial Position  
December 31, 1998

Assets	Head Start Program	Child Nutrition	Family				Weatherization Assistance	Summer Child Care	Youth Shelter	Commodities Distribution	General Services	Total
			Day Care Home	Home Energy Assistance	Transit Services	Community Services						
Cash	\$ 653	\$ 178	\$ 3,610	\$ 21	\$ 14,014	\$ 52,342	\$ 118,012	\$ (883)	\$ 51,889	\$ 245,780		
Grant receivables	25,495	4,184	35,835	51,089	10,950	42,378	42,378			231,951		
Other receivables	16,766		182	137	1,135	1,663	1,663		515	20,398		
Due from other funds	6,381		3,770		7,808	1,654	12,900		62,993	95,506		
<b>Total current assets</b>	<b>49,295</b>	<b>4,362</b>	<b>43,397</b>	<b>51,110</b>	<b>33,907</b>	<b>53,996</b>	<b>174,953</b>	<b>(883)</b>	<b>115,397</b>	<b>593,635</b>		
Property and equipment	813,402		3,608	1,645	5,912		104,073		11,850	1,059,793		
Accumulated depreciation	(370,490)		(2,677)	(1,097)	(5,912)		(66,109)		(9,435)	(540,827)		
<b>Net property and equipment</b>	<b>442,912</b>		<b>931</b>	<b>548</b>			<b>37,964</b>		<b>2,415</b>	<b>518,966</b>		
<b>Total Assets</b>	<b>\$ 492,207</b>	<b>\$ 4,362</b>	<b>\$ 44,328</b>	<b>\$ 51,658</b>	<b>\$ 33,907</b>	<b>\$ 53,996</b>	<b>\$ 212,917</b>	<b>\$ (883)</b>	<b>\$ 117,812</b>	<b>\$ 1,112,601</b>		
<b>Liabilities and Net Assets</b>												
<b>Current liabilities:</b>												
Accounts payable	\$	\$ 8,188	\$ 35,129	\$ 21,231	\$ 235	\$	\$ 12,084	\$	\$ 668	\$ 86,241		
Accrued liabilities	45,404	3,114	1,646	598	1,571				9,655	66,342		
Due to other funds	1,663	8,035	1,760	27,068			15,830		12,900	95,506		
Other Liabilities			4,862	2,213	24,940		10,676			26,700		
Refundable advance	2,228				7,161					81,169		
<b>Total current liabilities</b>	<b>49,295</b>	<b>19,337</b>	<b>43,397</b>	<b>51,110</b>	<b>33,907</b>	<b>53,996</b>	<b>38,590</b>		<b>23,223</b>	<b>355,958</b>		
<b>Net Assets:</b>												
Unrestricted:												
Operating		(14,975)							(883)	76,316		
Designated for specific programs							136,363			161,361		
Fixed assets	442,912		931	548			37,964		2,415	518,966		
<b>Total net assets</b>	<b>442,912</b>	<b>(14,975)</b>	<b>931</b>	<b>548</b>			<b>174,327</b>	<b>(883)</b>	<b>94,589</b>	<b>756,643</b>		
<b>Total Liabilities and Net Assets</b>	<b>\$ 492,207</b>	<b>\$ 4,362</b>	<b>\$ 44,328</b>	<b>\$ 51,658</b>	<b>\$ 33,907</b>	<b>\$ 53,996</b>	<b>\$ 212,917</b>	<b>\$ (883)</b>	<b>\$ 117,812</b>	<b>\$ 1,112,601</b>		

Bossier Offices of Community Services, Inc.  
 Bossier City, Louisiana  
 Combining Schedule of Activities  
 For the Year Ended December 31, 1998

	Head Start Program	Child Nutrition	Community Services	Transit Services	Family		Weatherization Assistance	Summer Child Care	Youth Shelter	Commodities Distribution	General Services	Total
					Day Care Home	Home Energy Assistance						
Revenues and Other Support:												
Contractual revenue-grants	\$ 1,496,764	\$ 201,317	\$ 217,960	\$ 81,198	\$ 316,668	\$ 379,343	\$ 206,948	\$ 203,670	\$ 485,373	\$ 4,509	\$ 28,470	\$ 3,593,750
Miscellaneous revenues				22,941					129,299			180,710
Total revenues and other support	1,496,764	201,317	217,960	104,139	316,668	379,343	206,948	203,670	614,672	4,509	28,470	3,774,460
Expenses:												
Salaries	807,984	79,336	121,685	51,630	38,497	21,550	25,276	146,247	219,880	3,432	400	1,515,917
Fringe Benefits	221,912	34,159	31,888	17,805	11,218	4,874	7,630	30,140	78,971	468	38	439,103
Travel	39,600		6,870	1,471	3,182	835		342	7,708		286	59,952
Equipment and maintenance	22,476	156	7,703	10,527	4,912				8,538		400	55,054
Occupancy	61,013	2,670	2,017	890	1,147		585	9,353	20,700			98,375
Telephone	15,215		4,147	1,376	801		2,516	2,012	6,753			32,820
Insurance	42,421		4,827	313			1,525		11,277			60,363
Vehicle Operation	11,685		3,820	2,513				1,932	1,259			21,209
Supplies and postage	54,487	4,387	9,569	591	1,774	57	48,264	988	26,480	6	392	146,995
Professional services	35,744		2,659		2,542	1,000	85,703	1,000	4,292			132,940
Food and related supplies		94,432			250,042			6,596	24,861			375,931
Miscellaneous	71,816	1,152	12,834	2,759	2,553	1,211	35,449	5,060	25,709	1,486	5,073	165,102
Client assistance payments			9,941			350,029						359,970
Depreciation	59,290		623	11,024	260	329			3,917		935	76,378
Total expenses	1,443,643	216,292	218,583	100,899	316,928	379,885	206,948	203,670	440,345	5,392	7,524	3,540,109
Change in net assets	53,121	(14,975)	(623)	3,240	(260)	(542)			174,327	(883)	20,946	234,351
Net assets, as of beginning of year	389,791		2,788	53,789	1,191	1,090					73,643	522,292
Transfers												
Net assets, as of end of year	\$ 442,912	\$ (14,975)	\$ 2,165	\$ 57,029	\$ 931	\$ 548	\$	\$	\$ 174,327	\$ (883)	\$ 94,589	\$ 756,643

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

Bossier Office of Community Services, Inc.  
 Bossier City, Louisiana  
 Head Start Grant No. 06CH0190/16  
 U.S. Department of Health and Human Services  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 For the Contract Period: February 1, 1998 to January 31, 1999

	Budget	Actual	COB Balances Current Year
Revenues			
Department of Health & Human Services	\$ 1,933,513	\$ 1,933,513	
Grantee's contribution	483,378	449,108	
Training and technical assistance fund		16,166	
Total revenue	2,416,891	2,398,787	
Expenditures:			
Head Start program			
Personnel	871,920	813,260	\$ 58,660
Fringe benefits	357,632	228,918	128,714
Travel	25,000	33,408	(8,408)
Equipment	229,533	225,077	4,456
Supplies	109,000	141,066	(32,066)
Contractual	45,000	53,977	(8,977)
Other	295,428	300,727	(5,299)
	1,933,513	1,796,433	137,080
Training and technical assistance			
Personnel		1,072	
Fringe Benefits		280	
Training		9,840	
Other		4,974	
		16,166	
Grantee's share	483,378	449,108	
Total all expenditures	\$ 2,416,891	2,261,707	
Revenue over (under) expenditures		\$ 137,080	
Fund balance, beginning February 1, 1998		183,934	
See amendment #2 Py16 to rectify over application of COB for Py14		30,000	
Reprogrammed from grant #06CH0190/15		(213,633)	
Fund balance, ending January 31, 1999		\$ 137,381	
Fund balance analysis:			
Revenues over expenditures grant #06CH0190/15		\$ 213,934	
Reprogrammed from grant #06CH0190/15		(213,633)	
Revenues over expenditures grant #06CH0190/16		137,080	
Fund Balance, January 31, 1999		\$ 137,381	

Bossier Office of Community Services, Inc.  
 Bossier City, Louisiana  
 Child and Adult Care Food Program  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Contract Period: October 1, 1997 to September 30, 1998

Revenue

Contract revenue		\$	200,314
			200,314
Total revenue			200,314

Expenditures:

Salaries			78,007
Fringe benefits			29,949
Travel			1,070
Nonfood supplies			8,442
Other			3,002
Food service cost			79,844
			200,314
Total expenditures			200,314

Excess revenue (expenditures)

Fund balance, October 1, 1997			
Fund balance, September 30, 1998		\$	

Bossier Office of Community Services, Inc.  
 Bossier City, Louisiana  
 Community Services Block Grant  
 Department of Labor  
 Contract No. 98N0033  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 For the Contract Period: January 1, 1998 to December 31, 1998

	Budget	Actual	Actual (Over) Under Budget
Revenues:			
Contract revenue	\$ 236,710	\$ 217,960	
Total revenue	\$ 236,710	217,960	
Expenditures:			
Administration			
Salaries	73,598	67,586	\$ 6,012
Fringe benefits	16,580	15,274	1,306
Travel	6,218	5,866	352
Other support costs	17,536	16,091	1,445
Total administration	113,932	104,817	9,115
Program Activities:			
Salaries	55,838	54,099	1,739
Fringe benefits	20,606	16,614	3,992
Travel	1,421	1,004	417
Other support costs	33,403	31,484	1,919
Activities	10,000	8,592	1,408
Total program activities	121,268	111,793	9,475
Commodity food and nutrition	1,510	1,350	160
Total expenditures	\$ 236,710	217,960	\$ 18,750
Excess revenues (expenditures)			
Fund balance, January 1, 1998			
Fund Balance, December 31, 1998		\$	

Bossier Office of Community Services, Inc.  
 Bossier City, Louisiana  
 Transit System  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Period: July 1, 1997 to June 30, 1998

Revenue

Bossier Parish Police Jury	\$	12,500
Transit fares		4,951
Title XVIII funds		50,231
Title XIX funds		27,743
Inkind contributions		12,558
Find Work program		1,524
		109,507
Total revenue		109,507

Expenditures:

Salaries		55,965
Fringe benefits		16,761
Travel		3,827
Utilities/telephone		2,363
Operating expenses - vehicle		13,973
Other expenses		6,276
Inkind contributions		12,558
		111,723
Total expenditures		111,723

Excess revenue (expenditures)		(2,216)
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Fund balance, beginning July 1, 1997		9,457
		9,457

Fund balance, ending June 30, 1998	\$	7,241
		7,241

Bossier Office of Community Services, Inc.  
 Bossier City, Louisiana  
 Family Day Care Home Program  
 Louisiana Department of Education  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Contract Period: October 1, 1997 to September 30, 1998

Revenue:

Grant revenue	\$	331,765
Audit reimbursement revenue		2,500
		334,265
Total revenue		334,265

Expenditures:

Salaries		46,809
Fringe benefits		12,130
Travel		3,506
Office costs		3,198
Operating costs		7,895
Insurance, gas, oil and maintenance		128
Data processing and audit		2,542
Food service costs-provider payments		254,915
		331,123
Total expenditures		331,123

Excess revenue (expenditures)		3,142
Fund balance, October 1, 1997		3,410
Returned to funding source, June 8, 1998		(3,410)
		3,142
Fund balance, September 30, 1998	\$	3,142

Bossier Offices of Community Services, Inc.  
 Bossier City, Louisiana  
 Low Income Home Energy Assistance Program  
 Department of Social Services  
 Office of Community Services  
 Contract No: 528374  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 For the Contract Period: January 1, 1998 to December 31, 1998

	Budget	Actual	Actual (Over) Under Budget
Revenues:			
Contract revenue	\$ 384,460	\$ 381,557	
Expenditures:			
Administration	33,710	29,528	\$ 4,182
Assistance payments	350,750	350,029	721
	\$ 384,460	379,557	\$ 4,903
Excess revenues (expenditures)		2,000	
Fund balance, beginning January 1, 1998		213	
Fund balance, ending December 31, 1998		\$ 2,213	

Bossier Office of Community Services, Inc.  
 Bossier City, Louisiana  
 Weatherization Assistance Program  
 Department of Social Services  
 Office of Community Services  
 Contract No: 515919  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Contract Period: April 1, 1997 to March 31, 1998

Revenue:

Contract revenue	\$ 148,290
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Expenditures:

Administrative costs	11,767
Materials/Program Support	134,137
Liability insurance	998
Financial audit	1,000

Total expenditures	147,902
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Excess revenue (expenditures)	388
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Fund balance, April 1, 1997	_____
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Fund balance, March 31, 1998	\$ 388
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Bossier Office of Community Services, Inc.  
 Bossier City, Louisiana  
 Summer Child Care Program  
 Department of Social Services  
 Office of Family Support  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Contract Period: January 1, 1998 to December 31, 1998

Revenue:

Contract revenue		\$	268,852
			268,852
Total revenue			268,852

Expenditures:

Salaries			146,247
Fringe benefits			30,140
Supplies			988
Operating services			11,365
Other expenses			14,931
			203,671
Total expenditures			203,671

Excess revenue (expenditures)			65,181
Fund balance, January 1, 1998			(11,185)
			53,996
Fund balance, December 31, 1998		\$	53,996

Bossier Office of Community Services, Inc.  
 Bossier City, Louisiana  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended December 31, 1998

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
<u>U.S. Department of Health and Human Services</u>			
Direct Programs:			
Head Start (Fy 1-31-98)	93.600	06CH0190/15	\$ 159,988
Head Start (Fy 1-31-99)	93.600	06CH0190/16	1,318,035
Early Head Start (Fy 8-31-03)	93.600	06YC0551/01	1,181
Passed through the Bossier Parish Police Jury Runaway and Homeless Youth Shelter	93.623	06CY0449/03	44,037
Passed through Caddo Community Action Agency: Training and Technical Assistance (Fy 1-31-98)	93.600	N/A	1,596
Training and Technical Assistance (Fy 1-31-99)	93.600	N/A	15,963
Passed through Louisiana Department of Labor Community Services Block Grant (Fy 12-31-98)	93.569	98N0033	217,960
Passed through Louisiana Department of Social Services - Office of Family Support Summer Child Care Program - Child Care Assistance Program	93.561	N/A	203,671
Passed through Louisiana Department of Social Services - Office of Community Services Low-Income Home Energy Assistance Program (12-31-98)	93.568	528374	379,557
Weatherization Assistance for Low Income Persons (3-31-98)	93.568	515919	68,793
Weatherization Assistance for Low Income Persons (3-31-99)	93.568	515919	138,155
Title XIX Transportation (Fy 6-30-98)	93.667	Unknown	13,904
Title XIX Transportation (Fy 6-30-99)	93.667	Unknown	15,807
Total Department of Health and Human Services			<u>2,578,647</u>

(Continued)

Bossier Office of Community Services, Inc.  
 Bossier City, Louisiana  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended December 31, 1998

<u>Federal Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
<u>U.S. Department of Transportation</u>			
Passed through Louisiana Department of Transportation and Development			
Public Transportation for Non-Urbanized Areas and then through the Bossier Parish Police Jury			
Section 18 Capital Assistance (SPN 741-99-0010 & 736-09-0003)	20.509	LA-18-X010/LA-18-X011 & LA-18-X013	\$ 1,814
Section 18 Operating Assistance (Fy 6-30-98) (SPN 741-08-0204)	20.509	LA-18-X015	24,014
Section 18 Operating Assistance (Fy 6-30-99) (SPN 741-08-0205)	20.509	LA-18-X016	27,472
Total Department of Transportation			<u>53,300</u>
<u>U.S. Department of Agriculture</u>			
Passed through Louisiana Department of Education			
Child Care Food Program (FDCH) (Fy 9-30-98)	10.558	N/A	250,010
Child Care Food Program (FDCH) (Fy 9-30-99)	10.558	N/A	66,658
Child Care Food Program (Head Start) (Fy 9-30-98)	10.558	N/A	147,632
Child Care Food Program (Head Start) (Fy 9-30-99)	10.558	N/A	68,659
Passed through Louisiana Department of Agriculture and Forestry			
Temporary Emergency Food Assistance Program	10.568	N/A	4,509
Food Distribution - Value of Commodities Distributed	10.550	N/A	24,866
Total Department of Agriculture			<u>562,334</u>
Total Federal Expenditures			<u>\$ 3,194,281</u>

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

NOTE 2: Nonmonetary assistance is reported in the schedule at the fair value of the commodities received and distributed. At December 31, 1998, BOCSS had no food commodities in inventory.

# COOK & MOREHART

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

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

We have audited the financial statements of Bossier Office of Community Services, Inc. as of and for the year ended December 31, 1998, and have issued our report thereon dated May 14, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

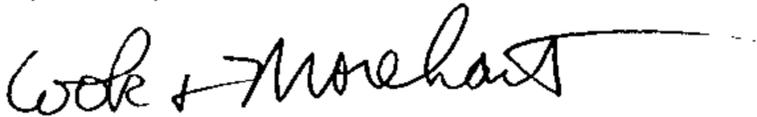
### Compliance

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

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Bossier Office of Community Services, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting which we have reported to management of Bossier Office of Community Services, Inc. in a separate management letter dated May 14, 1999.

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

A handwritten signature in black ink that reads "Cook & Morehart". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Cook & Morehart  
Certified Public Accountants  
May 14, 1999

# COOK & MOREHART

*Certified Public Accountants*

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

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

### Compliance

We have audited the compliance of Bossier Office of Community Services, Inc. with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 1998. Bossier Office of Community Services, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Bossier Office of Community Services, Inc.'s management. Our responsibility is to express an opinion on Bossier Office of Community Services, Inc.'s compliance based on our audit.

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

In our opinion, Bossier Office of Community Services, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1998.

### Internal Control Over Compliance

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

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

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

A handwritten signature in cursive script that reads "Cook & Morehart". The signature is written in black ink and includes a long, sweeping horizontal line extending to the right from the end of the name.

Cook & Morehart  
Certified Public Accountants  
May 14, 1999

Bossier Office of Community Services, Inc.  
Bossier City, Louisiana  
Summary Schedule of Prior Audit Findings  
December 31, 1998

There were no findings or questioned costs for the previous audit period ended December 31, 1997.

Schedule of Findings and Questioned Costs  
December 31, 1998

**A. Summary of Audit Results**

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

**B. Findings – Financial Statements Audit – NONE**

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

Bossier Office of Community Services, Inc.  
Bossier City, Louisiana  
Summary Schedule of Prior Year Audit Findings  
Schedule For Louisiana Legislative Auditor  
December 31, 1998

There were no findings or questioned costs for the prior year audit for the year ended December 31, 1997.

The prior year management letter comments for the year ended December 31, 1997 are addressed below:

Comment #1: Head Start Matching Requirement

Support documentation was provided to meet the required match for 1998.

Comment #2: FDCH Provider Payments

Some noted improvement but a 1998 management letter comment is made concerning the FDCH Program.

Comment #3: Liheap Assistance Payments

No management letter comment in 1998

Bossier Office of Community Services, Inc.  
Bossier City, Louisiana  
Corrective Action Plan For Current Year Audit Findings  
Schedule For Louisiana Legislative Auditor  
December 31, 1998

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

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

Comment #1: FDCH Provider Payments

Reports prepared by this office are based on actual expenses, but during our quality assurance review process, we will review and document on the menus and other supporting documents any correction(s) made on the month's documents being corrected.

# COOK & MOREHART

*Certified Public Accountants*

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## Management Letter

May 14, 1999

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

We have audited the financial statements of Bossier Office of Community Services, Inc. (BOCS), for the year ended December 31, 1998, and have issued our report thereon dated May 14, 1999. In planning and performing our audit of the financial statements of Bossier Office of Community Services, Inc., we considered its internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

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

### (1) FDCH PROVIDER PAYMENTS

During our audit we selected 25 provider payments to test for compliance requirements. During our testing of these items, the menus and other supporting documents were reviewed and corrections made by BOCS on subsequent months provider payments. The corrections were not noted on the menus and other supporting documents making it difficult to determine when corrections were made.

We recommend that when BOCS personnel correct a certain month's menu or supporting documents submitted by a provider that the corrections are clearly noted on the month's documents being corrected.

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



Cook & Morehart  
Certified Public Accountants