

Mason Economic Opportunity, Inc.  
Sak, Crow, Louisiana

Table of Contents  
(Continued)

	Page No.
<b>Reports in Accordance With Government Auditing Standards</b>	
Report on Internal Control Structure Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	22 - 23
Compliance Report Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	24
<b>Reports in Accordance With OMB Circular A-133</b>	
Single Audit Report on the Internal Control Structure Used in Administering Federal Awards	26 - 28
Single Audit Report on Compliance With the General Requirements Applicable to Federal Programs	29
Single Audit Report on Compliance With Specific Requirements Applicable to Nonmajor Federal Program Transactions	30
Schedule of Findings and Questioned Costs	31

**Mass Economic Opportunity, Inc.**  
**Orléans, Louisiana**  
**Notes to Financial Statements**  
**December 31, 1988**  
**(Continued)**

At December 31, 1988, the amount of accumulated leave benefits is not material; therefore, the liability for compensated absences due employees has not been included in the accompanying financial statements.

**112. Due to State of Louisiana**

MACEO signed a repayment agreement effective September 1, 1986 to repay disallowed costs, for the year ended September 30, 1983, to the State of Louisiana, Department of Social Services, Office of Community Services. The balance due at December 31, 1988 was 146,378. The agreement had an original amount due of 628,930 payable over 600 ninety-six monthly payments.

**113. Commodities Distribution**

The expenses shown as commodities distribution represent certain costs to distribute the commodities. The value of the commodities distributed was approximately 46,708 during January 1, 1988 through December 31, 1988. The value of the commodities distributed is not reflected in the accompanying financial statements.

**114. Fair Value of Financial Instruments**

Statement of Financial Accounting Standards No. 107, "Disclosures About Fair Value of Financial Instruments", requires that MACEO disclose estimated fair values for its financial instruments. For MACEO's financial instruments for which it was practicable to estimate fair value, all carrying amounts were determined to approximate fair value. MACEO had no derivative financial instruments or any financial instruments held for trading purposes.

Missouri Economic Opportunity, Inc.  
Oak Grove, Louisiana  
Notes to Financial Statements  
December 31, 1988  
(Continued)

(E) Leases

The agency leases a building and certain office equipment under operating leases. Rental costs on these leases for the year ended December 31, 1988, were as follows:

Building	\$	8,000
Equipment		1,733
		<u>\$ 9,733</u>

Commitments under lease agreements having initial or remaining non-cancelable terms in excess of one year are as follows:

For the Year Ending		
<u>December 31</u>		
1987		1,733
1988		1,000
		<u>\$ 2,833</u>

(F) Contractual Revenue - Grants

During the year ended December 31, 1988, MEOI received contractual revenue from federal and state grants in the amount of \$85.5' 0. The continued existence of these funds is based on annual contract renewals with various funding sources.

(G) Retirement Obligations

The employees of MEOI are members of the Social Security System. There are no other retirement plans available through MEOI.

(H) Compensated Absence - Accrued Leave

Employees of MEOI earn from 12 to 15 days of vacation leave each year, depending upon the employee's years of service. Vacation leave may accrue up to 1000 hours for part-time employees and up to 240 hours for full-time employees. Sick leave is accrued under the same guidelines, but is forfeited upon separation of employment. MEOI will pay up to 72 hours of accrued leave upon separation of employment.

(Continued)

HACON Economic Opportunity, Inc.  
Bak, Green, Louisiana  
Notes to Financial Statements  
December 31, 1988  
(Continued)

(5) Due To and Due From Other Funds

The following schedule represents amounts due to and due from other funds at December 31, 1988:

Fund	Due From Other Funds	Due To Other Funds
Unrestricted - general	1,750	-
Restricted - Home Energy Assistance Program	-	750
	<u>1,750</u>	<u>750</u>

(6) Property and Equipment

An analysis of the property and equipment at December 31, 1988 is as follows:

	Estimated Depreciable Life	Purchased With Federal Funds
Office equipment	5-7 years	8,771
Accumulated depreciation		<u>(4,798)</u>
Net investment in plant		<u>3,973</u>

Depreciation expense for the year ended December 31, 1988 was \$1,120.

(7) Refundable Advances

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

(Continued)

Mass Economic Opportunity, Inc.  
Oak Grove, Louisiana  
Notes to Financial Statements  
December 31, 1990  
(Continued)

(2) Change in Accounting Principle

MACON elected to adopt Statement of Financial Accounting Standards (SFAS) No. 118, *Accounting for Contributions Received and Contributions Made*, during the year ended December 31, 1989. In accordance with SFAS No. 118, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. This adoption had no effect on the change in net assets for the year ended December 31, 1989.

During the year ended December 31, 1990, MACON elected to adopt Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*, under SFAS No. 117, MACON 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. In addition, MACON is required to present a Statement of Cash Flows. MACON has, accordingly reclassified its financial statements to present the three classes of net assets required. This reclassification had no effect on the change in net assets for the year ended December 31, 1990.

(3) Concentrations of Credit Risk

MACON maintains its cash balances at one financial institution located in their service delivery area. The balances are insured by the FDIC up to \$100,000. At December 31, 1990 there were no uninsured balances at this institution.

Concentrations of credit risk with respect to grants receivable were limited due to the balance being comprised of amounts due from governmental agencies under contractual terms. As of December 31, 1990, MACON had no significant concentrations of credit risk in relation to grants receivable.

(4) Grants Receivable

Grants funding sources provide reimbursement of allowable costs and unit rate reimbursements under contracts or agreements. These balances represent amounts due from the funding sources at December 31, 1990, but not received until after that date.

(Continued)

Major Economic Opportunity, Inc.  
Oak Grove, Louisiana  
Notes to Financial Statements  
December 31, 1999  
(Continued)

F. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, MEOOM considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. MEOOM had no cash equivalents during this audit period.

G. Property and Equipment

Property and equipment is carried at cost, or, if donated, at the appraiser's fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of each asset. Federal and State Government has a reversionary interest in property purchased with these funds. Its disposition as well as the ownership of any proceeds therefrom is subject to certain regulations. The use of assets purchased with federal and state funds is limited to the purposes intended by the funding agency.

H. Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the substance and/or nature of any donor restrictions.

Contractual grant revenue is reported as unrestricted support due to the restrictions placed on these 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)

Maroon Economic Opportunity, Inc.  
Box Grove, Louisiana  
Notes to Financial Statements  
December 31, 1985  
(Continued)

**Medicaid Application Services (MS)** - Provides the service to eligible individuals of processing their Medicaid applications. Funding is provided by a unit rate contract with the Louisiana Department of Health and Hospitals.

**General Services (GS)** - Provides payment of necessary agency expenses not specifically attributable to a grant/contract operated by the agency. Funding is provided by various donations.

**D. Basis of Accounting**

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

**G. 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.

**D. Income Taxes**

MACOR is a nonprofit corporation and 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 MACOR's tax-exempt purpose is subject to taxation as unrelated business income. MACOR had no such income for this audit period.

**E. Use of 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 of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(Continued)

Missis Economic Opportunity, Inc.  
Oak Grove, Louisiana  
Notes to Financial Statements  
December 31, 1978

(7) Summary of Significant Accounting Policies

**B. Nature of Activities**

Missis Economic Opportunity, Inc. (MEO) is a private nonprofit corporation incorporated under the laws of the State of Louisiana. MEO is governed by a Board of Directors composed of 10 members from the parish that MEO serves.

MEO operates as a community action agency administering various federal and state funded programs designed to provide assistance to the poor and disadvantaged in West Carroll Parish in Louisiana. The following programs, with their approximate percentage of total revenues indicated, are administered by MEO:

**Home Energy Assistance Program (25%)** - Accounts for the operations of a home energy assistance program designed to assist low income households to offset the burden of high energy costs. Funding is provided by federal funds passed through the Louisiana Department of Social Services.

**Community Services Block Grant (21%)** - Accounts for the operations of administering programs designed to provide services and activities that will have a measurable impact on causes of poverty in the community. Funding is provided by federal funds passed through the Louisiana Department of Labor.

**Weatherization Assistance Program (17%)** - Accounts for the operations of a weatherization program to weatherize (insulate) the dwellings of low-income persons, particularly the elderly and handicapped low-income persons, in order to aid these persons least able to afford higher energy costs and to conserve needed energy. Funding is provided by federal funds passed through the Louisiana Department of Social Services.

**Temporary Emergency Food Assistance Program (15%)** - Accounts for the operations of commodity distribution of U.S.D.A. donated commodities to eligible persons in the community. Funding is provided by federal funds passed through the Louisiana Department of Agriculture and Forestry.

(Continued)



Mecon Economic Opportunity, Inc.  
 824 Brown, Louisiana  
 Statement of Activities  
 For the Year Ended December 31, 1980

	<u>Restricted</u>
<b>Revenues:</b>	
Contracts and grants from governmental agencies	\$ 85,518
Miscellaneous receipts	<u>4,815</u>
Total revenues	<u>90,333</u>
<b>Expenses:</b>	
Home energy assistance	21,348
Community services	53,821
Rehabilitation assistance	1,365
Commodities distribution	3,762
Other grants	<u>4,035</u>
Total expenses	<u>84,331</u>
Change in net assets	5,002
Net assets, (deficit) January 9, 1980	( 14,000)
Net assets, (deficit) December 31, 1980	<u>\$ 11,182</u>

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

**COOK & MOENCHMUT**

Chartered Public Accountants

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**MEMPHIS, TENNESSEE**

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**Independent Auditor's Report**

To the Board of Directors  
Mazon Economic Opportunity, Inc.  
Oak Grove, Louisiana

We have audited the accompanying statement of financial position of Mazon Economic Opportunity, Inc. (a nonprofit organization) as of December 31, 1999, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of Mazon Economic Opportunity, 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 generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States; the Single Audit Act of 1984; and OMB Circular 4-77, *Audit of Institutions of Higher Education and Other Nonprofit Organizations*. 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 audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Mazon Economic Opportunity, Inc. as of December 31, 1999, and the changes in its net assets and and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated May 23, 1997 and shown on pages 22-23 on our consideration of Mazon Economic Opportunity, Inc.'s internal control structure and a report dated May 23, 1997 and shown on page 24 on its compliance with laws and regulations.

Waste Economic Opportunity, Inc.  
Bart Green, Louisiana

Table of Contents

	Page No.
<b>Independent Auditors' Report</b>	1 - 2
<b>Financial Statements:</b>	
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 12
<b>Combining Schedules:</b>	
Combining Schedule of Financial Position	13
Combining Schedule of Activities	14
<b>Supplemental Information Schedules Prepared For Grants and Contracts Analysis</b>	
Low-Income Home Energy Assistance Program For the Contract Period: January 1, 1988 to December 31, 1988	16
Community Services Block Grant Contract No. 0448037 For the Contract Period: January 1, 1988 to December 31, 1988	17
<b>Federal Awards:</b>	
Report on Schedule of Federal Awards	19
Schedule of Federal Awards	20

(Continued)

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FORM NO. 1  
1-64  
07-21-70 0100-25

**Mass Economic Opportunity, Inc.**  
**Oak Grove, Louisiana**

**Financial Statements With Auditors' Report**  
**As of and for the Year Ended December 31, 1968**  
**With Supplemental Information Schedules**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or obtained, directly or otherwise, by any and all other appropriate public officials. This 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: \_\_\_\_\_ of \_\_\_\_\_

\*  
 Macro Economic Opportunity, Inc.  
 Oak Grove, Louisiana  
 Statement of Cash Flows  
 For the Year Ended December 31, 1988

Operating activities

Change in net assets	\$ 0,377
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	1,158
Increase(Decrease) in operating assets:	
Grants receivable	( 808)
Other receivables	363
Increase (Decrease) in operating liabilities:	
Accounts payable	843
Accrued liabilities	( 38)
Payable advances	<u>1,009</u>
Net cash provided by operating activities	<u>3,882</u>

Financing Activities

Repayments of amounts due to State of Louisiana	( 4,212)
Net cash used in financing activities	<u>( 4,212)</u>

Net (decrease) in cash	( 360)
Cash as of beginning of year	1,286
Cash as of end of year	<u>\$ 1,894</u>

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

Mass Economic Opportunity, Inc.  
 8th Street, Boston  
 Consolidating Schedule of Financial Position  
 December 31, 1995

	Energy Accounts	Community Schools	Waste/Recycle Activities	Commodity Distributions	General Reserves	Total
<b>Assets</b>						
<b>Current assets</b>						
Cash	19	80	0	27	1,074	1,200
Energy receivables	2,278	191	1	-	491	3,161
Due from other funds	-	-	-	-	28	28
<b>Total current assets</b>	<u>2,297</u>	<u>271</u>	<u>1</u>	<u>27</u>	<u>1,593</u>	<u>4,189</u>
Property and equipment	-	1,571	-	-	-	1,571
Receivable from other funds	-	4,288	1	-	-	4,289
<b>Total non-current assets</b>	<u>-</u>	<u>5,859</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>5,861</u>
<b>Total Assets</b>	<u>2,297</u>	<u>6,130</u>	<u>2</u>	<u>27</u>	<u>1,593</u>	<u>10,059</u>
<b>Liabilities and Net Assets</b>						
<b>Current liabilities:</b>						
Accounts payable	2,280	78	-	-	40	2,398
Due to other funds	150	-	-	-	-	150
Receivable advances	-	88	82	-	-	170
<b>Total current liabilities</b>	<u>2,430</u>	<u>166</u>	<u>82</u>	<u>-</u>	<u>40</u>	<u>2,718</u>
Over to State of Louisiana	-	-	-	-	8,329	8,329
<b>Total liabilities</b>	<u>2,430</u>	<u>166</u>	<u>82</u>	<u>-</u>	<u>8,369</u>	<u>11,077</u>
<b>Net assets</b>						
Unrestricted:						
Operating	-	-	-	27	1,549	1,576
Endowments	-	1,405	-	-	-	1,405
<b>Total net assets (deficit)</b>	<u>-</u>	<u>1,405</u>	<u>-</u>	<u>27</u>	<u>1,549</u>	<u>2,981</u>
<b>Total Liabilities and Net Assets</b>	<u>2,430</u>	<u>6,535</u>	<u>82</u>	<u>27</u>	<u>9,918</u>	<u>13,042</u>

The accompanying supplemental information 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 Macon Economic Opportunity, 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 For Grants and Contracts Analysis" in the table of contents and shown on pages 15-17, are presented for the purpose of providing various funding sources of Macon Economic Opportunity, 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 Macon Economic Opportunity, Inc. These schedules are not presented in accordance with generally accepted accounting principles. Accordingly, the schedules mentioned previously on pages 15-17 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 they are fairly stated on the basis of accounting practices prescribed by the various funding sources.



Cooks Monahan  
Certified Public Accountants  
May 23, 1997

## COHE & MOHRHART

Chartered Public Accountants

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### MEMBERSHIP INFORMATION

#### MEMBERS

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CHARTERED PUBLIC ACCOUNTANTS

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MEMBER OFFICES  
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BIRMINGHAM, ALA  
DENVER, CO  
HOUSTON, TX  
MEMPHIS, TN  
NEW YORK, NY

### Single Audit Report on the Internal Control Structure Used in Administering Federal Awards

To the Board of Directors  
Macon Economic Opportunity, Inc.  
844 Grove, Louisiana

We have audited the financial statements of Macon Economic Opportunity, Inc. as of and for the year ended December 31, 1986, and have issued our report thereon dated May 23, 1987.

We conducted our audits in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular 3-102, Audits of Institutions of Higher Education and Other Nonprofit Organizations. Those standards and OMB Circular 3-102 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audit for the year ended December 31, 1986, we considered Macon Economic Opportunity, Inc.'s internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on Macon Economic Opportunity, Inc.'s financial statements, and to report on the internal control structure in accordance with OMB Circular 3-102. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal award programs. We have addressed policies and procedures relevant to our audit of the financial statements in a separate report dated May 23, 1987.

The management of Macon Economic Opportunity, Inc. is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal award programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.



Master Securities Acquisitions, Inc.  
 (An S-Corp, Incubated  
 Company) Schedule of Activities  
 For the Year Ended December 31, 1995

	Energy Activities	Community Services	Regulatory Activities	Commodity Activities	Other Revenues	Total
<b>Revenues and Other Support:</b>						
Contractual income - grants	\$ 41,061	\$0.00	2,079	2,859	2,500	\$ 48,500
Miscellaneous income	-	-	2,000	-	2,878	4,878
Total revenues and other support	<u>41,061</u>	<u>\$0.00</u>	<u>4,079</u>	<u>2,859</u>	<u>5,378</u>	<u>53,377</u>
<b>Expenses:</b>						
Salaries	648	23,828	89	1,478	1,800	27,843
Office benefits	171	3,790	16	147	100	5,224
Taxes	-	808	18	48	94	1,068
Professional fees (if contract fees)	-	8,000	119	140	81	8,340
Supplies & postage	-	1,950	-	-	281	2,231
Telephone	126	3,658	-	-	41	4,425
Office costs	545	1,242	149	-	14	2,950
Liability & other insurance	-	1,687	500	-	-	3,267
Food and related supplies	-	1,288	-	-	-	1,288
Depreciation (capital)	-	-	119	-	-	119
Energy acquisition payments	25,783	-	-	-	-	25,783
Miscellaneous	783	2,028	-	1,241	1,111	4,963
Regulatory expenses	-	1,170	-	-	-	1,170
Total expenses	<u>30,240</u>	<u>35,011</u>	<u>1,768</u>	<u>2,721</u>	<u>3,024</u>	<u>72,774</u>
Change in net assets before transfers	\$ 10,821	\$ 669	\$ 1,311	\$ 1	\$ 1,454	\$ 13,256
Other financing sources (used):						
Operating transfers in	-	-	4,113	-	3,710	7,823
Operating transfers out	-	-	(4,113)	-	(1,088)	(5,191)
Change in net assets, after transfers	\$ 10,821	\$ 669	\$ -	\$ 1	\$ 4,156	\$ 15,647
Net assets, beginning of year	1	1,268	-	-	1	2,530
Net assets, end of year	<u>21,642</u>	<u>2,937</u>	<u>1</u>	<u>1</u>	<u>5,312</u>	<u>30,903</u>

Mass Economic Opportunity, Inc.  
Oak Grove, Louisiana  
Schedule of Findings and Questioned Costs  
December 31, 1986

**PRIOR YEAR FINDINGS**

There were no findings or questioned costs for the prior audit period ending December 31, 1985.

**CURRENT YEAR FINDINGS**

There are no current year findings or questioned costs.

## COOK & MORRISEY

Certified Public Accountants

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STATE ACCOUNTANTS

### Single Audit Report on Compliance With Specific Requirements Applicable to Nonmajor Federal Program Transactions

To the Board of Directors  
Macon Economic Opportunity, Inc.  
Oak Grove, Louisiana

We have audited the financial statements of Macon Economic Opportunity, Inc. as of and for the year ended December 31, 1989, and have issued our report thereon dated May 23, 1991.

In connection with our audit of the financial statements of Macon Economic Opportunity, Inc., and with our consideration of Macon Economic Opportunity, Inc.'s internal control structure used to administer federal programs, as required by Office of Management and Budget Circular A-133, *Audit of Institutions of Higher Education and Other Recipients' Organizations*, we selected certain transactions applicable to certain nonmajor federal programs for the year ended December 31, 1989. As required by OMB Circular A-133, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Macon Economic Opportunity, Inc.'s compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that Macon Economic Opportunity, Inc. had not complied, in all material respects, with these requirements.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Agency. This restriction is not intended to limit the distribution of this report.



Cook & Morrisey  
Certified Public Accountants  
May 23, 1991

## COOK & MORREHART

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### Single Audit Report on Compliance With the General Requirements Applicable to Federal Programs

To the Board of Directors  
Macon Economic Opportunity, Inc.  
Oak Grove, Louisiana

We have audited the financial statements of Macon Economic Opportunity, Inc. as of and for the year ended December 31, 1985, and have issued our report thereon dated May 23, 1987.

We have applied procedures to test Macon Economic Opportunity, Inc.'s compliance with the following requirements applicable to its federal programs, which are identified in the accompanying Schedule of Federal Awards, for the year ended December 31, 1985:

Political activity	Allowable cost/loss principles
Civil Rights	Drug-free workplace act
Cash management	Administrative requirements
Federal financial reports	

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Audits of Institutions of Higher Learning and Other NonProfit Institutions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Macon Economic Opportunity, Inc.'s compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that Macon Economic Opportunity, Inc. had not complied, in all material respects, with these requirements.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Agency. This restriction is not intended to limit the distribution of this report.

  
Cook & Morrehart  
Certified Public Accountants  
May 23, 1987

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal award programs in the following categories:

**Accounting controls**

- Cash
- Revenues, receivables and receipts
- Expenditures for goods and services and accounts payable
- Payroll and related liabilities
- Property, equipment and capital expenditures
- Debt and other liabilities
- Governmental financial assistance programs

**Controls used in administering individual federal award programs**

**General requirements**

- Political activity
- Civil Rights
- Cash management
- Federal financial reports
- Allowable cost/audit principles
- Drug-Free Workplace Act
- Administrative requirements

**Specific requirements**

- Types of services
- Eligibility
- Matching level of effort
- Reporting
- Cost allocation
- Special requirements, if any

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

# COOK & MERRILLANT

Certified Public Accountants

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## Management Letter

May 23, 1987

Board of Directors  
Macon Economic Opportunity, Inc.  
Oak Grove, Louisiana

We have audited the financial statements of Macon Economic Opportunity, Inc., as of and for the year ended December 31, 1986 and have issued our report thereon dated May 23, 1987. As part of our audit we made a study and evaluation of the system of internal control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards and the standards for financial and compliance audits contained in the Comptroller Auditing Standards, issued by the Comptroller General of the United States. No material weaknesses in internal control were noted during this study and evaluation; however the following item appears to merit your attention:

Internal - (See pg. and from Other For 3)

During the course of our audit we noted that funds received from grantors were being loaned between the different grantee-programs.

We recommend that funds received from grantors for specific programs not be loaned to other programs.

The above comments were not listed in the audit report as of and for the year ended December 31, 1986. We express our sincere thanks to Macon Economic Opportunity, Inc., for the cooperation and assistance provided us during our examination. This letter is furnished solely for the use of management and is not to be used for any other purpose.

Cook & Merrillant  
Certified Public Accountants

**Reports in Accordance With OMB Circular A-101**

# COOK & MERRIBART

Certified Public Accountants

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STATE OF MISSISSIPPI

## Compliance Report Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

To the Board of Directors  
Macon Economic Opportunity, Inc.  
Oak Grove, Louisiana

We have audited the financial statements of Macon Economic Opportunity, Inc. as of and for the year ended December 31, 1993, and have issued our report thereon dated May 23, 1993.

We conducted our audit in accordance with generally accepted auditing standards 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.

Compliance with laws, regulations, contracts, and grants applicable to Macon Economic Opportunity, Inc. is the responsibility of Macon Economic Opportunity, Inc.'s management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of Macon Economic Opportunity, Inc.'s compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under Government Auditing Standards.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Agency. This restriction is not intended to limit the distribution of this report.



Cook & Merribart  
Certified Public Accountants  
May 23, 1993



**Marion Economic Opportunity, Inc.**  
**Oak Grove, Louisiana**  
**Statement of Financial Position**  
**December 31, 1988**

**Assets:**

**Current assets:**

Cash	\$	1,848
Grants receivable		7,878
Due from other funds		190
<b>Total current assets</b>		<b>8,916</b>

Property and equipment		8,231
Accumulated depreciation	(	4,798
<b>Net property and equipment</b>		<b>3,433</b>

**Total assets** **\$ 12,349**

**Liabilities and net assets:**

**Current liabilities:**

Accounts payable	\$	7,521
Due to other funds		190
Refundable advances		130
<b>Total current liabilities</b>		<b>7,841</b>

Due to State of Louisiana		18,320
<b>Total liabilities</b>		<b>26,161</b>

**Net assets:**

Unrestricted		
Operating	(	16,080
Fixed assets		1,436

**Total net assets (deficit)** ( **12,616**)

**Total liabilities and fund balances** **\$ 13,505**

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

Mass Economic Opportunity, Inc.  
 Oak Grove, Louisiana  
 Low Income Home Energy Assistance Program  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Contract Period, January 1, 1988 to December 31, 1988

	Actual	Budget	Actual (Over/ Under Budget)
<b>Revenues:</b>			
Contract revenue	\$ 22,982		
<b>Expenditures:</b>			
Administrative	1,943	4 1,980	4 187
Direct services	29,182	29,082	1 100
Total expenditures	31,125	31,062	5 563
Excess revenues (expenditures)	6		
Fund balance, January 1, 1988	1 00		
Fund balance, December 31, 1988	1 06		

# COOK & HOBBSART

Chartered Public Accountants

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## Report on Internal Control Structure Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

To the Board of Directors  
Macon Economic Opportunity, Inc.  
Bak Street, Louisiana

We have audited the financial statements of Macon Economic Opportunity, Inc. as of and for the year ended December 31, 1995, and have issued our report thereon dated May 23, 1997.

We conducted our audit in accordance with generally accepted auditing standards 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.

The management of Macon Economic Opportunity, Inc. is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of Macon Economic Opportunity, Inc. for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

**Reports in Accordance With Government Auditing Standards**

River Economic Opportunity, Inc.  
 Oak River, Indiana  
 Schedule of Federal Awards  
 For the Year Ended December 31, 1998

Federal/State/Local/Pass-Through Grant or Program Title	Federal FPA Number	Pass-Through Contract Number	Appropriation
<b>ALL REVENUE PROGRAMS</b>			
U.S. Department of Health and Human Services			
Pass-Through Indiana Department of Labor Community Services Block Grant	85-288	8860003	4 85,014
Pass-Through Indiana Department of Social Services, Office of Community Services Elder Abuse Assistance Program - (Emergency)	85-888	979-800082	27,846
U.S. Department of Energy			
Pass-Through Indiana Department of Social Services, Office of Community Services Revolving Business Program (FY 1-31-99)	81-092	8998	1,284
U.S. Department of Agriculture			
Pass-Through Indiana Department of Agriculture and Forestry Emergency Emergency Food Assistance Program Food Distribution - Value of Commodities Distributed	18-888 18-882	Unknown Unknown	2,792 6,798
Total Federal expenditures			<u>35,940</u>

# COOK & MERRHART

Certified Public Accountants

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COOK & MERRHART  
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MEMPHIS, TN 38103  
ATTORNEYS AT LAW

## Report on Schedule of Federal Awards

To the Board of Directors  
Mazon Economic Opportunity, Inc.  
Bak Street, Louisiana

We have audited the financial statements of Mazon Economic Opportunity, Inc. for the year ended December 31, 1986, and have issued our report thereon dated May 22, 1987. These financial statements are the responsibility of Mazon Economic Opportunity, 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 generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget Circular A-133, Audits of Institutions of Higher Education and Other Nonprofit Organizations. These 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 audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the financial statements of Mazon Economic Opportunity, Inc. taken as a whole. The accompanying Schedule of Federal Awards is presented for purposes of additional analysis and is not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.



Cook & Merrhart  
Certified Public Accountants  
May 22, 1987

Waste Economic Opportunity, Inc.  
 844 Grove, Louisiana  
 Community Service Block Grant  
 Contract No. 8448007

Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Contract Period: January 1, 1980 to December 31, 1980

	Actual	Budget	Actual (Over) Under Budget
<b>Revenues:</b>			
Contract revenue	\$ 52,742		
<b>Expenditures:</b>			
<b>Administration:</b>			
Salaries	23,624	4 23,785	\$ ( 210)
Fringe benefits	3,780	3,604	174
Travel	600	1,280	584
Other support costs	22,681	34,488	1,857
Total Administration	50,285	63,357	1,856
Community Food and Nutrition	1,350	1,352	2
Total expenditures	51,635	64,709	1,803
Excess revenues (expenditures)	98		
Funds returned, January 1987	1,686		
Grant funds remaining	\$ -		

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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 structure and its operation that we consider to be material weaknesses as defined above.

We noted other matters involving the internal control structure and its operations that we have communicated to management in a separate management letter dated May 23, 1997.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Agency. This restriction is not intended to limit the distribution of this report.



Cook B. Moorhead  
Certified Public Accountant  
May 23, 1997



During the year ended December 31, 1980, Mason Economic Opportunity, Inc. had no major programs and expended 54% of its total federal awards under the following headings programs:

U.S. Department of Health and Human Services:

Community Services Block Grant OBA #03.500 1 \$3,374

We performed tests of controls, as required by SAS Circular A-133, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the aforementioned nonmajor programs. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal awards would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal awards program 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 structure and its operations that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to management in a separate management letter dated May 23, 1981.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Agency. This restriction is not intended to limit the distribution of this report.

Cook & Monahan  
Certified Public Accountants

May 23, 1981

**Supplemental Information Schedules  
For Grants and Contracts Analysis**