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**WEST CARROLL PARISH ASSOCIATION  
FOR RETARDED CITIZENS, INC.  
OAK GROVE, LOUISIANA**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
JUNE 30, 1999**

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 10-20-99

**WEST CARROLL PARISH ASSOCIATION  
FOR RETARDED CITIZENS, INC.**

**FINANCIAL STATEMENTS**

**JUNE 30, 1999**

**C O N T E N T S**

	<b>PAGE</b>
<i>Accountant's Report on Financial Statements</i>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
Statement of financial position	2
Statement of activities	3
Statement of cash flow	4
Statement of functional expenses	5
Notes to financial statements	6
<i>Accountant's Report on Applying Agreed- Upon Procedures</i>	
<b>SCHEDULE OF FINDINGS</b>	<b>13</b>

**JOHN M. GATHINGS**  
**CERTIFIED PUBLIC ACCOUNTANT**  
Hwy. 2 East – Oak Grove, Louisiana 71263

318/428-2973

P.O. BOX 1088

**ACCOUNTANT'S REPORT ON FINANCIAL STATEMENTS**

Mr. Richard Boutwell, President  
West Carroll Parish Association for Retarded Citizens, Inc.  
Oak Grove, Louisiana 71263

Mr. Boutwell:

I have compiled the accompanying statement of financial position of West Carroll Parish Association for Retarded Citizens, Inc., (a nonprofit organization) as of June 30, 1999 and the related statements of activities, cash flows and functional expenses, for the year then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management of the West Carroll Parish Association for Retarded Citizens, Inc. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report, dated September 08, 1999, on the results of my agreed-upon procedures.

  
John M. Gathings  
Certified Public Accountant

September 08, 1999

**WEST CARROLL PARISH ASSOCIATION  
FOR RETARDED CITIZENS, INC.**

**STATEMENT OF FINANCIAL POSITION**

**June 30, 1999**

**ASSETS**

**CURRENT ASSETS:**

Cash (Note 1)	\$50,895.38
Certificates of deposit (Note 1)	85,320.19
Accounts receivable	26,532.46
Prepaid expenses	<u>121.56</u>
 Total Current Assets	 \$162,869.59

**NONCURRENT ASSETS:**

Land, building and equipment – net (Notes 1 and 2)	<u>\$65,533.68</u>
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**TOTAL ASSETS**

\$228,403.27

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES:**

Accounts Payable	\$366.24
Payroll Taxes Payable	<u>0.00</u>
 Total Current Liabilities	 <u>\$366.24</u>

**NET ASSETS – UNRESTRICTED (Note 1)**

\$228,037.03

**TOTAL LIABILITIES AND NET ASSETS**

\$228,403.27

**See accompanying notes and accountant's report**

**WEST CARROLL PARISH ASSOCIATION  
FOR RETARDED CITIZENS, INC.**

**STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 1999**

<b>Revenues and other support:</b>	
Contributions	\$3,580.50
<b>Fees:</b>	
Division of Mental Retardation	114,797.76
Title XIX	13,795.01
Other Providers	28,800.00
Program Receipts	43,103.08
Interest and Miscellaneous	<u>9,459.08</u>
<b>Total Revenues and Other Support</b>	<b><u>\$213,535.43</u></b>
<b>Expenses:</b>	
Program	\$186,419.71
Management and general	<u>12,347.00</u>
<b>Total Expenses</b>	<b><u>\$198,766.71</u></b>
<b>Increase in Net Assets</b>	<b>\$14,768.72</b>
<b>Net Assets – Unrestricted – Beginning</b>	<b><u>\$213,268.31</u></b>
<b>Net Assets – Unrestricted – Ending</b>	<b><u><u>\$228,037.03</u></u></b>

See accompanying notes and accountant's report

**WEST CARROLL PARISH ASSOCIATION  
FOR RETARDED CITIZENS, INC.**

**STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 1999**

**CASH FLOWS FROM OPERATION ACTIVITIES**

Increase (decrease) in net assets	\$14,768.72
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	7,951.00
(Increase) decrease in accounts receivable	(14,268.46)
Increase (decrease) in fixed assets	(2,500.00)
Increase (decrease) in accounts payable	(380.12)
Increase (decrease) in accrued expenses	<u>(601.00)</u>

**Net Cash Flows from Operating Activities** \$4,970.14

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of property and equipment	(\$24,626.96)
Sale of property and equipment	2,500.00
Purchase of certificate of deposits (net)	(1,574.11)
Interest earned	<u>(5,225.82)</u>

**Net Cash Used by Investing Activities** (\$28,926.89)

**Net Increase (decrease) in cash** (\$23,956.75)

**Cash – Beginning** \$74,852.13

**Cash – Ending** \$50,895.38

See accompanying notes and accountant's report

**WEST CARROLL PARISH ASSOCIATION  
FOR RETARDED CITIZENS, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES  
For the Year Ended June 30, 1999**

	<u>MANAGEMENT AND GENERAL</u>	<u>PROGRAM</u>	<u>TOTALS</u>
Consulting	\$1,110.00	\$0.00	\$1,110.00
Depreciation	7,951.00	0.00	7,951.00
Insurance	0.00	16,950.12	16,950.12
Legal and Accounting	3,125.00	0.00	3,125.00
Miscellaneous	171.00	455.64	626.64
Office and Postage	0.00	498.87	498.87
Repair and Maintenance	0.00	8,469.44	8,469.44
Salaries	0.00	130,282.23	130,282.23
Supplies	0.00	6,458.78	6,458.78
Taxes and Licenses	0.00	61.00	61.00
Taxes - payroll	0.00	11,147.45	11,147.45
Telephone	0.00	224.77	224.77
Transportation	0.00	7,725.59	7,725.59
Travel	0.00	113.70	113.70
Utilities	<u>0.00</u>	<u>4,022.12</u>	<u>4,022.12</u>
<b>Total Functional Expenses</b>	<u><u>\$12,357.00</u></u>	<u><u>\$186,409.71</u></u>	<u><u>\$198,766.71</u></u>

See accompanying notes and accountant's report

**WEST CARROLL PARISH ASSOCIATION  
FOR RETARDED CITIZENS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**Note 1. Organization and Summary of Significant Accounting Policies**

West Carroll Parish Association for Retarded Citizens, Inc., (the "Association") is a nonprofit organization exempt from income tax under Section 501(c) 3 of the Internal Revenue Code. In addition, the Association has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. The Association was chartered on January 23, 1958, to promote the general welfare of mentally retarded persons.

The financial statements of the Association have been prepared in conformity with generally accepted accounting principles. The following is a summary of the more significant policies:

**Unrestricted, Temporarily Restricted and Permanently Restricted Net Assets:**

The Association reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the 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.

**Basis of Accounting:**

The financial statements have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when the related liabilities are incurred.

**Cash:**

*Cash is reported at net book value – the June 30, 1999, bank balance plus deposits in transit and less checks that have not cleared the bank as of that date.*

**See accompanying notes and accountant's report**



**WEST CARROLL PARISH ASSOCIATION  
FOR RETARDED CITIZENS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**Certificates of Deposit:**

Certificates of deposit are carried at cost plus interest earned and received to date.

**Plant Assets:**

Plant assets are recorded at historical cost. Maintenance and repairs of property and equipment are charged to operations and major improvements are capitalized. Upon retirement, sale, or other disposition of property and equipment, the cost and accumulated depreciation are eliminated from the accounts and the gain or loss is included in operations.

Depreciation of buildings and equipment is computed by the straight-line method over the following estimated service lives:

Building	10-35 years
Equipment	5-10 years
Vehicles	5 years

**Revenues and Other Support:**

Revenues received under government grant programs are recorded as revenues when the Association has incurred expenditures in compliance with the specific restrictions. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

**Note 2. Accounts Receivable**

A summary of the accounts receivable at June 30, 1999 is as follows:

Div. of Mental Retard.	\$22,699
Title XIX	1,433
Other Providers	<u>2,400</u>
	\$26,532

**See accompanying notes and accountant's report**

**WEST CARROLL PARISH ASSOCIATION  
FOR RETARDED CITIZENS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**Note 3. Land, Building and Equipment**

A summary of the property held at June 30, 1999 is as follows:

Building	\$34,911
Equipment	25,583
Vehicles	<u>58,542</u>
	\$119,036
Less accumulated depreciation	<u>\$79,863</u>
	\$39,173
Land	<u>\$26,361</u>
Net Assets	<u><u>\$65,534</u></u>

See accompanying notes and accountant's report

**JOHN M. GATHINGS**  
**CERTIFIED PUBLIC ACCOUNTANT**  
Hwy. 2 East – Oak Grove, Louisiana 71263

318/428-2973

P.O. BOX 1088

**ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES**

Mr. Richard Boutwell, President  
West Carroll Parish Association for Retarded Citizens, Inc.  
Oak Grove, Louisiana 71263

Mr. Boutwell:

I have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of West Carroll Parish Association for Retarded Citizens, Inc., the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about West Carroll Parish Association for Retarded Citizens, Inc.'s compliance with certain laws and regulations during the year ended June 30, 1999 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**FEDERAL, STATE, AND LOCAL AWARDS**

1. Determine the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

West Carroll Parish Association for Retarded Citizens, Inc. received a contract from Division of Mental Retardation for the fiscal year ended June 30, 1999.

In addition to this contract they received from Title XIX and Delta America, funds for assisting their clients.

2. From the funds received from these three contracts, I randomly selected (6) disbursements made during the period under examination.
3. For the items selected in procedure 2, I traced the six disbursements to supporting documentation as to proper amount and payee.

I examined supporting documentation for each of the six selected disbursements and found that payments was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, I determined if the six disbursements were properly coded to the correct fund and general ledger accounts.

All of the payments were properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, I determined whether the six disbursements received approval form proper authorities.

Inspection of documentation supporting each of the six selected disbursements showed that the checks required two board members' signature to be paid. The major expenditures were approved by the board and reflected in the minutes. The hiring of any new personnel was approved by the board and reflected in the minutes.

6. For the items selected in procedure 2: I determined if the disbursements complied with the applicable contract spending guidelines.

I reviewed the previously listed disbursements for allowability, eligibility, and reporting requirements. I found that all disbursement meet the above criteria for the contract as to allowability, eligibility, and were properly recorded.

7. For the programs selected for testing in item (2) none were for closed out contracts during the period under review.

## MEETINGS

8. I examined evidence indicating that agendas for meetings recorded in the minute books were posted as an open meeting as required by LSA-RS 42:1 through 42.12 (the open meeting law).

The Association is only required to notify the board members by telephone of the matters to be presented at the quarterly board meetings. After talking with a majority of the board members, no one stated that they did not know what was to be discussed at the meetings prior to the meeting time.

## COMPREHENSIVE BUDGET

9. The Association did not receive any grants during the period under consideration. The only requirement placed on them is that they present a detailed report of costs and income to the contracting agency within six months of the year end for the Association. I examined the report issued for the year ended June 30, 1998 and it met the requirements set forth in the contract.

## PRIOR COMMENTS AND RECOMMENDATIONS

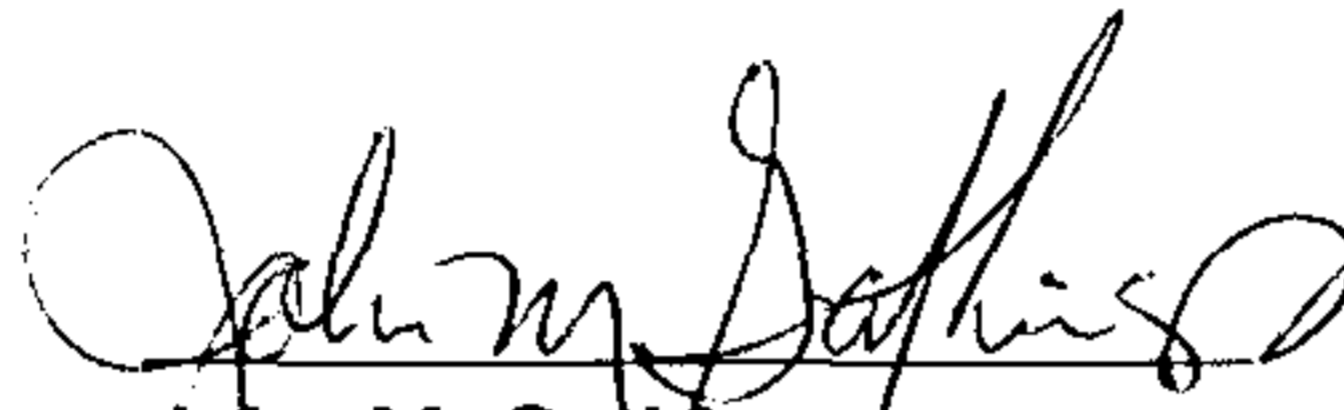
10. I reviewed the prior-year finding to determine the extent to which such matters have been resolved.

The only prior-year finding was that the Association has funds in excess of the FDIC insurance limits in Region Bank. The Association has transferred sufficient funds to another federally insured bank to reduce the total funds at any institution below the insured limits.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of West Carroll Parish Association for Retarded Citizens, Inc., the Legislative Auditor (State of Louisiana), and the applicable state agency and should not be used by those who have not agreed to

the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



John M. Gathings  
Certified Public Accountant

September 08, 1999

**WEST CARROLL PARISH ASSOCIATION  
FOR RETARDED CITIZENS, INC.**

**SCHEDULE OF FINDINGS  
For the Year Ended June 30, 1999**

There were no findings of a material nature during the year ended June 30, 1999. The West Carroll Parish Association for Retarded Citizens corrected the only finding for the previous year.