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**LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.**  
Jena, Louisiana

Financial Statements and Auditor's Report

June 30, 1997  
and for the Year Then Ended

With Comparative Totals at June 30, 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 SEP 10 1997

**JERI SUE TOSSIGN**  
Certified Public Accountant

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.  
Jena, Louisiana

Financial Statements and Auditor's Report

June 30, 1997  
and for the Year Then Ended

With Comparative Totals at June 30, 1996

LABALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.

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SECTION I  
FINANCIAL STATEMENTS  
REPORT ON FINANCIAL STATEMENTS

**JERI SUE TOSSPON**

Certified Public Accountant  
P. O. Box 445 — 1007 N. E. L. Highway Blvd.  
Ferryport, Louisiana 71504

CPA No. 714883

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
LaSalle Association for the Developmentally Delayed, Inc.  
Jena, Louisiana

I have audited the accompanying financial statements of the LaSalle Association for the Developmentally Delayed, Inc., (LADD), as of June 30, 1987, and for the year then ended. These financial statements are the responsibility of LADD's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my 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 I 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 statements presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of LADD, as of June 30, 1987, and the results of its operations, and the changes in financial position for the year then ended in conformity with generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements of LADD. Such information has been subjected to the auditing procedures applied in the audit of the component unit financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

*Jeri Sue Tosspon*

Ferryport, Louisiana  
August 25, 1987

**LABALIE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 1997**  
*(With Comparative Totals at June 30, 1996)*

	General Fund	Work Project Fund	LADO Institutes	June 30, 1997 Total		1996 Total
<b>ASSETS</b>						
Cash on hand and in banks	\$ 17,262	\$ 18,895	\$ 51,957	\$ 88,114	\$ 95,350	
Cash in savings and certificates of deposit	12,181	45,858		58,039	55,147	
Accounts receivable				11,521	11,130	
CICDO	11,521			11,521	1,288	
Medical	1,152			659	2,837	
Woodlawn Rehabilitation	680				842	
Group Home				182	918	
Sales			18,284	50,894	13,180	
Inventory				89,210	120,739	
Fixed Assets (Note E)	46,207		53,800			
<b>Total Assets</b>	<u>\$ 89,209</u>	<u>\$ 88,743</u>	<u>\$ 94,528</u>	<u>\$ 249,584</u>	<u>\$ 287,527</u>	
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Payroll taxes payable	\$ 1,804	\$ 754	\$ 131	\$ 2,789	\$ 2,687	
Notes payable (Note G)	11,812		184,807	196,699	138,857	
<b>Total Liabilities</b>	<u>\$ 13,616</u>	<u>\$ 754</u>	<u>\$ 185,028</u>	<u>\$ 199,488</u>	<u>\$ 141,544</u>	
<b>Net Assets</b>						
Unrestricted	\$ 75,593	\$ 84,989	\$ 119,500	\$ 198,318	\$ 147,433	
<b>Total Liabilities and Fund Balances</b>	<u>\$ 89,209</u>	<u>\$ 88,743</u>	<u>\$ 94,528</u>	<u>\$ 249,584</u>	<u>\$ 287,527</u>	

See accompanying notes to financial statements.

**LIBRARY ASSOCIATION FOR THE DEVELOPMENTALLY DISABLED, INC.**  
**STATEMENT OF ACTIVITY AND FUND BALANCES**  
**YEAR ENDED JUNE 30, 1987**  
**(With Comparative Data for the Year Ended June 30, 1986)**

	General Fund	Work Project Fund	LADD Industries	1987 Total	1986 Total
<b>SUPPORT</b>					
State contracts (State I)	\$ 188,151			\$ 188,151	\$ 190,570
Contributions and memberships	5,644			5,644	9,892
UMTA Grants					49,893
Total Support	\$ 193,795			\$ 193,795	\$ 249,355
<b>REVENUE</b>					
Work project activities (State I)		\$ 58,337		\$ 58,337	\$ 41,258
Sales - LADD Industries			\$ 83,843	83,843	24,566
Interest	\$ 1,268	1,428	853	3,549	2,800
Total Revenue	\$ 1,268	\$ 59,765	\$ 84,696	\$ 145,729	\$ 68,624
Total Support and Revenue	\$ 195,063	\$ 59,765	\$ 84,696	\$ 339,524	\$ 317,979
<b>COST OF GOODS SOLD</b>			\$ 69,528	\$ 69,528	\$ 20,845
<b>EXPENDITURES (State I)</b>					
Salaries and client wages	\$ 131,368	\$ 20,828	\$ 838	\$ 153,034	\$ 128,710
Transportation	19,792			19,792	19,792
Rent	14,400			14,400	14,400
Insurance	8,508	780	18	9,306	11,181
Payroll taxes	18,251	3,825		22,076	11,388
Utilities	5,472		7,028	12,500	9,838
Training	581			581	72
Office and postage	4,538		17	4,555	4,955
Depreciation	18,808		2,071	20,879	9,887
Maintenance, repair and cleaning	8,127			8,127	5,950
Hospitalization	8,054			8,054	5,101
Equipment and supplies	1,721	858		2,579	498
Staff in-service	388			388	
Telephone	1,174			1,174	5,188
Travel	1,211			1,211	5,324
Interest	753		3,498	4,251	4,817
Professional fees	2838			2,838	
Food		2,848		2,848	2,104
Other - OMS reimbursable	2,342			2,342	2,598
Other - Non-OMS reimbursable (State II)	1,738	3,848	2,071	7,657	18,071
Total Expenditures	\$ 228,188	\$ 40,851	\$ 15,644	\$ 284,683	\$ 238,348
Excess (Deficit) of Support and Revenue over Expenditures	\$ (33,125)	\$ 18,914	\$ 6,852	\$ (7,559)	\$ 79,631
Transfer In (Out)	3,880		(3,880)	0	
Net Assets, Beginning of Year	184,582	54,128	(11,184)	147,526	85,680
Net Assets, End of Year	\$ 151,457	\$ 73,042	\$ (4,332)	\$ 149,167	\$ 165,311

See accompanying notes to financial statements

**LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.**  
**STATEMENT OF CASH FLOWS**  
**TOTAL - ALL FUNDS**  
**YEAR ENDED JUNE 30, 1997**  
 (With Comparative Totals for the Year Ended June 30, 1996)

	June 30,	
	1997	1996
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ (17,117)	\$ 60,640
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	21,629	(15,548)
(Increase) decrease in:		
Accounts receivable	2,660	(1,483)
Inventory	3,423	10,387
Increase (decrease) in:		
Accounts payable		
Accrued payroll tax	(943)	(178)
	\$ 9,751	\$ 53,760
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of equipment		\$ (44,687)
Contribution of equipment		1,000
		\$ (43,687)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Borrowings		\$ 16,413
Repayment of debt	\$ (13,098)	(11,781)
	\$ 13,098	\$ 4,632
<b>NET INCREASE (DECREASE) IN CASH</b>	\$ (4,147)	\$ 14,565
<b>CASH AT BEGINNING OF YEAR</b>	130,460	115,907
<b>CASH AT END OF YEAR</b>	\$ 126,313	\$ 130,472
<b>SUPPLEMENTAL DISCLOSURES</b>		
Interest paid	\$ 4,163	4,577

See accompanying notes to financial statements.



**LABALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 1997**

**NOTE 1 - LABALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED:**

LaSalle Association for the Developmentally Delayed, Inc., (LADD) was organized in 1976 to promote the general welfare of retarded citizens wherever they may be, and, specifically, to provide as normal a work and learning atmosphere in the least restrictive environment for retarded adults in LaSalle Parish. The Association receives funding from the State of Louisiana, Office for Citizens with Developmental Disabilities (OCDD), the Louisiana Medicaid Program, Group Home Program, On-site Intensive Training Program, performs services for the general public under its Work Project program, and receives funds for other activities from memberships and contributions. In 1991, the Association began operations of LADD Industries to provide further supported employment opportunities for its clients.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Fund Accounting**

In order to ensure observance of limitations and restrictions placed on the use of resources available to LADD, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund and, accordingly, all financial transactions have been recorded and reported in the following fund groups:

**General Fund** - Resources are provided under several contracts from the State of Louisiana, based on the days or types of services provided, and by other sources such as interest, contributions, and membership dues. Expenditures are of a nature of those specified by the State in its Guidelines for Allowable Costs from the OCDD, except as noted hereafter.

**Work Project Fund and LADD Industries Fund** - Resources are provided as fees for services performed by or sales of products made by the clients and interest and are used to pay wages to the clients and other costs as needed for these services, including the purchase of the LADD Industries building.

**B. Income Tax Status**

LADD qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for income taxes.

**NOTE 3 - FIXED ASSETS AND DEPRECIATION**

During the past fiscal year, LADD received three vans through the Urban Mass Transit Act grant, Section 160(c) program, through the Louisiana Department of Transportation (DOTD). LADD has capitalized their 30% matching portions of the vans in addition to the 70% in-kind grant funds received. The DOTD holds a reversionary interest in the vans. Fixed assets consist of these vans and other small items. Ownership of all fixed assets in the general fund of LADD would revert to the Department of Health and Hospitals, CCDD, if LADD were to cease to function. Depreciation is provided on a straight-line basis over various lives recommended by the CCDD.

There are also fixed assets owned by LADD Industries in the amount of \$64,766 in 1997 and in 1996 including the LADD Industries building and real estate in the amount of \$54,735. Depreciation on these assets is provided on the straight-line basis over their useful life.

	Balance June 30, 1996	Expenses	Estimate	Balance June 30, 1997
General Fund				
Wish Project Fund	\$76,086			\$76,086
Lease Industries	34,708			34,708
	\$110,794			\$110,794
Less Accumulated Depreciation	38,116	\$21,529		59,645
	\$72,678	\$21,529		\$94,211

**NOTE 4 - NOTES PAYABLE**

Notes payable consist of the following:

General Fund - Southern Heritage Bank secured by certificates of deposit, for the 1995 van, bearing interest at 6.75%, payments of \$172 per month	\$ 7,200
General Fund - Southern Heritage Bank secured by certificates of deposit, for the 1995 van, bearing interest at 6.75%, payments of \$170 per month	7,674

LADD Industries - Small Business Administration secured by mortgages on the LADD Industries building and inventories, bearing interest at 3%, payments of \$1,953 per month	<u>115,443</u>
	<u>\$130,402</u>

The future scheduled maturities of long-term debt are as follows:

Years ended June 30,	
1998	\$ 14,317
1999	14,888
2000	15,484
2001	13,144
2002	13,500
Thereafter	<u>67,599</u>
	<u>\$130,402</u>

**NOTE 5 - SUPPORT AND REVENUE**

Support in the general fund was as follows:

OCDD - Day Habilitation Program	\$140,534
Medicaid Title XIX Program	16,635
Vocational Rehabilitation	2,925
Group Home Clients	<u>20,352</u>
	<u>\$180,451</u>

Ladd Industries has been involved in the assembly of U.S. Government Wash Kits (through the aid of the National Industries for the Severely Handicapped Organization), assembly of admission kits for sale to local hospitals, the resale of clothing and other items, and fabrication of crawfish nets for retail and wholesale sale.

**NOTE 6 - COST OF GOODS SOLD**

Cost of goods sold is made up of the following:

Beginning Inventory		\$ 13,706
Add: Cost of production		
Labor	\$20,849	
Materials	22,007	
Freight	549	
Taxes	3,724	
Other	<u>1,048</u>	48,196
Total goods available for sale		\$ 61,902
Less: Ending Inventory		<u>10,284</u>
Cost of goods sold - manufactured items		\$ 51,618
Items bought for resale		<u>18,108</u>
Total cost of goods sold		\$69,726

#### NOTE 7 - EXPENDITURES

Expenditures in the general fund were made in accordance with the specifications listed by the Office for Citizens with Developmental Disabilities in their *Guidelines for Allowable Costs - Adult Day Services for Persons with Developmental Disabilities*, except as follows:

Directors Fees	\$2,100
Applicable payroll taxes	151
Depreciation	6,061
Other (net)	<u>1,529</u>
	\$9,841

These costs were not paid with state funds, but by local funds raised by LADD.

#### NOTE 8 - PENSION PLAN

LADD does not have a retirement plan for its employees.

#### NOTE 9 - LITIGATION

LADD is not involved in any litigation as of June 30, 1997.

SECTION II  
REPORT ON INTERNAL CONTROL

**JERI SUE TOSSPON**

Certified Public Accountant  
P. O. Box 445 -- 1997 St. E. Westlake Blvd.  
Kenner, Louisiana 70134  
(504) 751-6995

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
STRUCTURE AND RELATED MATTERS NOTED IN A FINANCIAL  
STATEMENT AUDIT CONDUCTED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
LaSalle Association for the Developmentally Delayed, Inc.  
Jena, Louisiana

I have audited the financial statements of LaSalle Association for the Developmentally Delayed, Inc., (LADD), as of June 30, 1997, and for the year then ended, and have issued my report thereon dated August 25, 1997.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing my audit of the financial statements of LADD, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

The management of the LADD 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.

To the Board of Directors  
Lafayette Association for the Developmentally Delayed, Inc.  
Page Two

For all of the control structures identified, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk.

My 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 reportable condition in which the design or operation of the specific 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. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of Board of Directors, management and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Ferryday, Louisiana  
August 25, 1997

SECTION III

REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS



SECTION IV  
SUPPLEMENTAL INFORMATION

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.  
SCHEDULE OF DIRECTOR'S COMPENSATION  
YEAR ENDED JUNE 30, 1997

Cleveland Rice, President	\$ 2,100
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