

**OPPORTUNITIES INDUSTRIALIZATION CENTER
INCORPORATED OF QUACHITA**
Hotchkiss, Louisiana
Financial Statements
and Independent Auditor's Report
As of and for the Year Ended June 30, 1997

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**OPPORTUNITIES INDUSTRIALIZATION CENTER
INCORPORATED OF ORACHITA,
Monroe, Louisiana
Financial Statements
and Independent Auditor's Report
As of and for the Year Ended June 30, 1997
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Body of Arkansas Certified Public Accountants - Monroe Chamber of Commerce

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Opportunities Industrialization Center
Incorporated of Ouachita
Monroe, Louisiana

I have audited the accompanying statement of financial position of Opportunities Industrialization Center Incorporated of Ouachita (a nonprofit organization) as of June 30, 1997, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization'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. 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 statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Opportunities Industrialization Center Incorporated of Ouachita as of June 30, 1997, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.



Louis R. Bradley
Certified Public Accountant

Monroe, Louisiana
August 11, 1997

FINANCIAL STATEMENTS

OPPORTUNITIES INDUSTRIALIZATION CENTER
INCORPORATED OF CUMABITA
Statement of Financial Position
June 30, 1987

Assets

Cash and cash equivalents	\$	9,000
State receivable		90,740
Security Deposits		<u>180</u>
Total Assets		<u>99,920</u>

Liabilities and Net Assets

Liabilities		
Account Liabilities		98,000
Loan Payable		1,417
Deferred Revenue		<u>4,103</u>
Total Liabilities		<u>103,520</u>
Net Assets:		
Unreserved:		
Operating		<u>(18,148)</u>
Total unreserved		<u>(18,148)</u>
Temporarily restricted		<u>-</u>
Total net assets		<u>(18,148)</u>
Total liabilities and net assets		<u>99,920</u>

See accompanying notes to financial statements.

**OPPORTUNITIES INDUSTRIALIZATION CENTER
INCORPORATED OF OMAHA, NE
Statement of Activities
For the Year Ended June 30, 1987**

UNRESTRICTED NET ASSETS**Support**

Grants	\$ 2,000
Other support	24,000
TOTAL UNRESTRICTED-SUPPORT	<u>26,000</u>

Net assets released from restricted

Resolutions satisfied by payments	40,200
TOTAL UNRESTRICTED SUPPORT AND RECOGNIZED GAINS	<u>66,200</u>

Expenses

Contract and administrative expenses	100,000
Program expenses	150,000
Travel expenses	100,000
Change conducted on assets	50,000

TEMPORARILY RESTRICTED NET ASSETS**Grants**

Local/State Fund	80,000
JFPA	10,000
Project Request	70,100
CSBG	80,000
United Way	10,000

Net assets released from operations
Resolutions satisfactorily payments

160,100

Change in temporarily-restricted net assets

Net assets as of beginning of year, as restated

(20,000)

Other changes in net assets

Proportionate changes adjustments
Net assets as of end of year

1,100,000

See accompanying notes to financial statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER
 INCORPORATED - DUACHISA
 Statement of Cash Flows
 For the Year Ended
 June 30, 1991

	<u>All Funds</u>
Operating activities	
Change in net assets	\$ 3,628
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Increase (decrease) in accounts receivable	-
Decrease (increase) in grants receivable	(11,548)
Decrease (increase) in due from other funds	(1,087)
Increase (decrease) in accounts payable/accrued liabilities	(4,487)
Increase (decrease) in due to other funds	781
Increase (decrease) in deferred income	(1,418)
Total adjustments	<u>(17,259)</u>
Net cash provided by operating activities	<u>(13,631)</u>
Financing activities	
Net borrowings on line of credit	<u>1,421</u>
Net cash used by financing activities	<u>1,421</u>
Cash and cash equivalents as of beginning of year	30,979
Cash and cash equivalents as of the end of year	<u>\$ 18,769</u>

See accompanying notes to financial statements.

OPPORTUNITIES INDUSTRIALIZATION CENTER INCORPORATED OF OLAJCHTA

Statement of Functional Expenses
 For the Year Ended
 June 30, 1987

	General and <u>Administrative</u>	<u>Program Services</u>	<u>Total Expenses</u>
Personnel Costs			
Salaries and wages	113,198	126,600	239,798
Payroll taxes and other fringe benefits	<u>24,178</u>	<u>25,645</u>	<u>49,823</u>
Total personnel costs	<u>137,376</u>	<u>152,245</u>	<u>289,621</u>
Other expenses			
Advertising, Printing, Publication	2,563	-	2,563
Bank Charges	1,891	-	1,891
Building and Grounds Maintenance	1,883	-	1,883
Conferences and Conventions	5,297	-	5,297
Equipment Maintenance and Rental	90	17,266	17,356
Insurance	2,834	-	2,834
Operating Services	4,658	11,468	16,126
Postage	3,117	-	3,117
Professional Fees	-	42,944	42,944
Rent	2,808	-	2,808
Supplies	1,813	19,804	21,617
Support Services	14,284	-	14,284
Telephone	8,280	-	8,280
Travel	4,407	-	4,407
Utilities	11,987	-	11,987
Total other expenses	<u>67,764</u>	<u>81,212</u>	<u>148,976</u>
Total Functional Expenses	<u>205,140</u>	<u>233,457</u>	<u>438,597</u>

See accompanying notes to financial statements.

Opportunities Industrialization Center
Incorporated of Ouachita

Monroe, Louisiana

Notes to the Financial Statement
As of and for the Year Ended June 30, 1997

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Operations

The Opportunities Industrialization Center Incorporated of Ouachita is a private non-profit organization domiciled in the State of Louisiana at Monroe, Louisiana. The Organization is recognized as a tax exempt (non-profit) organization under section 501 (c) (3) of the Internal Revenue Service Code. The Organization is supported primarily through state and private grants, contributions and donations from the public, and foundations. The objectives of the Organization is primarily, to provide services to train the unemployed for jobs in the industries of Northwest Louisiana. The Organization is governed by a Board of Directors consisting of sixteen (16) members. The Board Members receive no compensation.

B. Basis of Presentation

Previously, the Organization followed standards of accounting and financial reporting for voluntary health and welfare organizations as described in the American Institute of Certified Public Accountants' "Industry Guide for Audits of Voluntary Health and Welfare Organization." For the period ending June 30, 1997, the Organization adopted the provisions of Statement of Financial Accounting Standards No. 117, *Financial Statements of Not-for-Profit Organizations* by restating net assets as of June 30, 1997. Statement No. 118 requires the Organization to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. It also requires recognition of contributions, including contributed services meeting certain criteria, at fair values. Statement No. 117 establishes standards for general purpose external financial statements of not-for-profit organizations and require a statement of financial position, a statement of activities, and a statement of cash flows.

C. Public Support and Revenues

In order to comply with restrictions which donors place on grants and other gifts as well as designations made by its governing board, the principles of reporting net assets are used. Revenues and public support consists mainly of state and private grants, fundraising, and contributions. Grants and other contributions of cash and other assets are reported as permanently restricted or temporarily restricted if they are received with donor restrictions or restrictions designated by the governing board. Contributions are considered to be unrestricted unless restricted by the donor. All assets over which the Board of Directors has discretionary control have been included in the General Fund.

D. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. The Organization had no estimates for the period ending June 30, 1993.

E. Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of twelve months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents. Under state law, the agency may deposit funds in demand accounts, interest bearing accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. The Organization had no cash equivalents during the audit period. On June 30, 1993, Opportunities Industrialization Center Technical Resource Organization had cash totaling \$ 9,609 as follows:

Unrestricted	\$ 8,728
Temporarily Restricted	881
Total Cash	<u>\$ 9,609</u>

F. Total Columns

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position, results of operations and changes in net assets in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. CHANGES IN ACCOUNTING PRINCIPLES

The Organization adopted the provisions of Statement of Financial Accounting Standards No. 116, *Accounting for Contributions Received and Contributions Made* and No. 117, *Financial Statements of Not-for-Profit Organizations* by restating net assets as of June 30, 1993. Statement No. 116 requires the Organization to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. It also requires recognition of contributions, including contributed services meeting certain criteria, at fair values. Statement No. 117 establishes standards for general purpose external financial statements of not-for-profit organizations and requires a statement of financial position, a statement of activities, and a statement of cash flows. The Organization adopted Statement No. 116 by restating net assets as of June 30, 1993. The adoption of Statement No. 116 did not effect any change in net assets.

3. PENSION PLAN

The Organization does not have a retirement program for its employees and the employees are not members of the State of Louisiana Retirement System. All employees of the Organization are members of the Social Security System. In addition to the employees' contribution of 7.65 percent, the agency contributes an equal amount to the Social Security System. Pension cost for the year was

§ 20,640. The Organization does not guarantee the benefits granted by the Social Security System.

4. OPERATING LEASE

The Organization has operating leases as follows:

The minimum annual commitment under a one year renewable lease annually is as follows:

Period	Building and Office Facilities	Location
1985-1996	7800	Monroe, Louisiana
1985-2020	0	Richwood, Louisiana

The leased building and office facility in Richwood, Louisiana is located at the former Richwood High School. The land and building is owned by the Dadeville Parish School Board and subleased to the Town of Richwood. The Organization entered into a twenty-five (25) year lease with zero (\$ 0.00) dollars per month with an option to renew an additional twenty-five (25) years at zero (\$ 0.00) dollars per month. At the end of the lease the facility in Richwood will revert back to the owners. The facility at 3710 Dunlap Street in Monroe, Louisiana is used as a satellite center for classroom training.

5. COMPENSATED ABSENCES

Compensated absences are absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. The Organization has a formal policy for accumulation and vesting of vacation, annual leave, and sick leave which is based on the length of service. Accumulated annual leave is pay in full. Accumulated sick leave is forfeited. The days that are granted are included in annual salaries. Vacation days not taken during the current year are carried forward. Sick days and annual leave days are accumulated and carried forward and are eligible for payment upon resignation, dismissal, or retirement. For the purpose of this report, accumulated days for compensated absences are considered immaterial.

6. **FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing the various programs and 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.

7. **GRANT RECEIVABLE**

At June 30, 1997, the Organization had grant receivables as follows:

Vocational Education	\$ 46,136
ITPA	<u>3,564</u>
Total	<u>\$ 50,240</u>

8. **ACCRUED LIABILITIES**

At June 30, 1997, the Organization had accrued liabilities totaling \$ 38,993 consisting of the following:

Salaries Payable	\$ 6,128
Payroll Taxes Payable	4,950
Accounts Payable	<u>47,852</u>
Total	<u>\$ 38,993</u>

9. **LOAN PAYABLE**

The Organization maintains a line of credit with Citizens Bank for the purpose of meeting short-term cash flow needs. The loans are short-term, with an average interest rate between 8.75 and 9%. As of June 30, 1997, the outstanding balance on the line credit was \$ 7,437.

10. INTERFUND RECEIVABLES AND PAYABLES

With the adoption of No. 117, *Financial Statements of Not-for-Profit Organizations*, each of the funds of the organization are reported in combined financial statements. As a result, interfund receivables and payables are not reflected on the Statement of Financial Position. However, at June 30, 1993, the Organization had the following interfund receivables and payables:

Funds	Due From Other Funds	Due To Other Funds
General Fund	4,106	2,830
Vocational Educational Fund	3,248	6,166
JTPA	-	1,629
Project Respect	3,852	3,400
CDSD	6,890	4,598
United Way	1,227	-
Totals	<u>17,603</u>	<u>17,603</u>

11. PRIOR PERIOD ADJUSTMENTS

The beginning fund balances in the General Fund, Vocational Fund, and Project Respect Fund were adjusted to reflect expenses paid in the prior period for the General Fund by the Vocational Fund and Project Respect. The prior period changes were as follows:

General Fund	Vocational Fund	Project Respect Fund	Total
(14,348)	2,301	2,147	-

The prior period changes did not have any net effect on the combined financial statements.

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

To the Board of Directors of
Opportunities Industrialization Center
Incorporated of Ouachita
Monroe, Louisiana

I have audited the financial statements of Opportunities Industrialization Center Incorporated of Ouachita (a nonprofit organization) as of and for the year ended June 30, 1997, and have issued my report thereon dated August 11, 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.

The management of Opportunities Industrialization Center Incorporated of Ouachita 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 my audit of the financial statements of Opportunities Industrialization Center Incorporated of Ouachita for the year ended June 30, 1997, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and

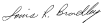
INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL STRUCTURE BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

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 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. 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 the Board of Directors, Management, the Louisiana Department of Education, and the Louisiana Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.



Louis B. Bradley
Certified Public Accountant

Monroe, Louisiana
August 31, 1997

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

To the Board of Directors
Opportunities Industrialization Center
Incorporated of Ouachita
Monroe, Louisiana

I have audited the financial statements of Opportunities Industrialization Center Incorporated of Ouachita (a nonprofit organization) as of and for the year ended June 30, 1997, and have issued my report thereon dated August 11, 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. These standards require that I 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 Opportunities Industrialization Center Incorporated of Ouachita is the responsibility of Opportunities Industrialization Center Incorporated of Ouachita's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of Opportunities Industrialization Center Incorporated of Ouachita's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the Board of Directors, Management, the Louisiana Department of Education, and the Louisiana Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS

Page 2



Lewis R. Bradley
Certified Public Accountant

Monroe, Louisiana
August 11, 1997

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INDEPENDENT AUDITORS' REPORT
ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE
TO FEDERAL AWARD PROGRAMS

To the Board of Directors
Opportunities Industrialization Center
Incorporated of Ouachita

I have audited the financial statements of Opportunities Industrialization Center Incorporated of Ouachita (a nonprofit organization) as of and for the year ended June 30, 1997, and have issued our report thereon dated August 11, 1997.

I have applied procedures to test the compliance of Opportunities Industrialization Center Incorporated of Ouachita with the following requirements applicable to its federal award programs, which are identified in the accompanying Schedule of Federal Awards, for the year ended June 30, 1997:

GENERAL REQUIREMENTS

Political Activity	Drug Free Workplace Act
Civil Rights	Cash Management
Federal/State Financial Reports	Allowable Costs/Cost Principle

My 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". My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Opportunities Industrialization Center Incorporated of Ouachita's compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH THE GENERAL
REQUIREMENTS APPLICABLE
TO FEDERAL AWARD PROGRAMS

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With respect to the items tested, the results of my 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 my attention that caused me to believe that Opportunities Industrialization Center Incorporated of Cloutiers had not complied, in all material respects, with these requirements.

This report is intended for the information of the Board of Directors, Management, the Louisiana Department of Education, and the Louisiana Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.



Louis R. Bradley
Certified Public Accountants signature

Monroe, Louisiana
August 11, 1997

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE
USED IN ADMINISTERING FEDERAL AWARDS**

To the Board of Directors of
Opportunities Industrialization Center
Incorporated of Ouachita
Monroe, Louisiana

I have audited the financial statements of Opportunities Industrialization Center Incorporated of Ouachita (a nonprofit organization) as of and for the year ended June 30, 1997, and have issued my report thereon dated August 11, 1997.

I conducted my audit 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 A-133, "Audit of Institutions of Higher Education and Other Nonprofit Institutions." Those standards and OMB Circular A-133 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 for the year ended June 30, 1997, I considered the internal control structure of Opportunities Industrialization Center Incorporated of Ouachita in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements of Opportunities Industrialization Center Incorporated of Ouachita and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal award programs.

The management of Opportunities Industrialization Center Incorporated of Ouachita 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 executed 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

**INDEPENDENT AUDITORS REPORT ON
INTERNAL CONTROL STRUCTURE USED
IN ADMINISTERING FEDERAL AWARDS**

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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 structure to future periods is subject to the risk that provisions may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

GENERAL REQUIREMENTS

Political Activity	Drug Free Workplace Act
Civil Rights	Cash Management
Federal/State Financial Reports	Allowable Costs/Cost Principle

SPECIFIC REQUIREMENTS

Matching
Eligibility
Federal Reports
Types of Services Allowed or Disallowed
Special Reporting Requirements
Special Terms and Provisions
Claims for Advances and Reimbursements

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

During the year ended June 30, 1997, Opportunities Industrialization Center Incorporated of Omaha had no major federal award programs and expended one hundred (100) percent of its total federal awards under the following economic programs:

INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL STRUCTURE USED
IN ADMINISTERING FEDERAL AWARDS

Page 3

Job Training Partnership Act	\$ 15,000
Community Block Grant	<u>90,347</u>
Total Federal Awards	\$ 59,347

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

I noted no matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the Organization's ability to administer federal award programs in accordance with applicable laws and regulations.

A material weakness is a reportable 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 award program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My 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 be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses.

This report is intended for the information of the Board of Directors, Management, the Louisiana Department of Education, and the Louisiana Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.

INDEPENDENT AUDITORS REPORT ON
INTERNAL CONTROL STRUCTURE USED
IN ADMINISTERING FEDERAL AWARDS
Page 4



Lewis R. Bradley
Certified Public Accountant

Monroe, Louisiana
August 11, 1997

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American Institute of Certified Public Accountants - Society of Louisiana Certified Public Accountants
Society of Arkansas Certified Public Accountants - Monroe Chamber of Commerce

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL AWARDS

To the Board of Directors
Opportunities Industrialization Center
Incorporated of Ouachita

I have audited the financial statements of Opportunities Industrialization Incorporated of Ouachita (a nonprofit organization) as of and for the year ended June 30, 1997, and have issued my report thereon dated August 11, 1997. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget (OMB) Circular A-133, "Audit of Institutions of Higher Education and Other Nonprofit Institutions." These standards and OMB Circular A-133 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.

My audit was conducted for the purpose of forming an opinion on the basic financial statements of Opportunities Industrialization Incorporated of Ouachita 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 basic financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.



Louis R. Bradley
Certified Public Accountant

Monroe, Louisiana
August 11, 1997

SUPPLEMENTAL INFORMATION

**OPPORTUNITIES INDUSTRIALIZATION CENTER
INCORPORATED OF ORLACHITA**

Schedule of Supplemental Information
June 30, 1987

UNRESTRICTED FUND

General Fund

All assets over which the Board of Directors has discretionary control have been included in the General Fund.

TEMPORARILY RESTRICTED FUNDS

Vocational Fund

The Vocational Educational Fund is funded primarily by a grant from the State of Louisiana Department of Education for the purpose of providing General Equivalent Diploma training, job skills, and office occupations skill training to persons in Orachita Parish.

JTPA

The JTPA Fund is funded by a grant from the United States Department of Labor under the Job Training Partnership Act for the purpose of providing classroom training in the area of Occupational Skills Training.

Project Respect

The Project Respect Fund is funded by a grant from the State of Louisiana Office of Mental Health for the purpose of providing General Equivalent Diploma training.

CDDB

The CDDB Fund is funded by a Community Block Grant from the United States Department of Housing and Urban Development for the purpose of providing a Drop Out Prevention Program and job skills training.

United Way

The United Way Fund is funded by a grant from United Way of Northwest Louisiana for the purpose of providing General Equivalent Diploma training, a parenting program, and job skills training.

OPPORTUNITIES INDUSTRIALIZATION CENTER
INCORPORATED OF QUARANTA
 Schedule of Assets, Liabilities, and Net Assets
 June 30, 1997

Assets	TEMPORARILY RESTRICTED						Total Net Assets
	Unrestricted General	Invested in Capital	ATF	Project Support	TRM&C	Fixed Net	
Cash and cash equivalents	\$ 838	\$ 1,471	\$ 83	\$ 99	\$ 304	\$ 2,813	\$ 8,900
Grants receivable	-	6,334	1,654	-	-	-	20,349
Due from other funds	4,138	3,249	-	1,023	4,800	1,327	13,537
Inventory deposits	140	-	-	-	-	-	186
Total assets	\$ 5,144	\$ 11,053	\$ 1,737	\$ 1,122	\$ 4,104	\$ 10,441	\$ 28,601
Liabilities and Net Assets							
Accounts payable	2,248	49,249	3,438	1,238	-	-	54,173
Due to other funds	2,438	5,165	1,637	2,498	4,299	-	17,037
Loan Payable	1,411	-	-	-	-	-	1,411
Retained Earnings	-	-	-	-	1,728	2,682	4,410
Total liabilities	\$ 6,097	\$ 55,512	\$ 6,703	\$ 3,736	\$ 6,027	\$ 2,682	\$ 74,705
Net Assets							
Temporarily restricted	(11,495)	-	-	-	-	-	(11,495)
Unrestricted	(6,097)	-	-	-	-	-	(6,097)
Total net assets	(17,592)	-	-	-	-	-	(17,592)
Total liabilities and net assets	\$ 4,495	\$ 55,512	\$ 6,703	\$ 3,736	\$ 6,027	\$ 2,682	\$ 74,705

See accompanying notes to financial statements.

COMMUNITIES DEVELOPMENT CORPORATION
 CORPORATION OF DELAWARE, INCORPORATED
 Mobile of Support, Bureau, Expenses, and
 Changes in Net Assets
 Year To, 1977

	COMMITMENTS		TEMPORARILY DEFERRED				Total of Funds
	Committed	Unallocated Fund	77%	Project Expense	Other	Unexp. Funds	
COMMITTED NET ASSETS							
Grants	\$ 2,000	-	-	-	-	-	\$ 2,000
Other	10,000	-	-	-	-	-	10,000
Other support	37,500	-	-	-	-	-	37,500
TOTAL UNRESERVED SUPPORT							
Net assets released from restrictions	-	200,000	15,000	5,750	20,000	15,000	40,750
Reappropriated by grantees	-	-	-	18,750	20,000	15,000	53,750
TOTAL UNRESERVED SUPPORT AND RELEASED FROM REST.	37,500	200,000	15,000	18,750	40,000	15,000	400,250
Expenses							
Committed and unexpended expenses	33,750	140,875	1,000	10,400	13,875	4,000	203,900
Program expenses	10,000	107,875	11,000	10,750	10,000	11,000	150,625
Total expenses	30,750	138,625	12,000	10,750	20,875	15,000	195,000
Change unresidual of assets	3,000	-	-	-	-	-	3,000
TEMPORARILY DEFERRED NET ASSETS							
Grants	-	200,000	15,000	18,750	20,000	15,000	40,750
Other support for assets released from restrictions	-	-	-	-	-	-	-
Reappropriated unexpended expenses	-	200,000	15,000	18,750	20,000	15,000	40,750
Change in temporarily restricted net assets	500	(1,000)	-	(1,000)	-	-	(1,500)
Net assets at beginning of year, as reported	10,500	1,300	-	2,100	-	-	13,900
Other Changes in net assets from unexpended assets	10,500	1,300	-	2,100	-	-	13,900
Net assets at end of year	21,000	2,600	-	4,200	-	-	27,800

See accompanying notes to financial statements.

EMPLOYMENT EXPENSES-ALTERNATIVE CENTER FOR ORANGE COUNTY

Schedule of Expenses
For the Year Ended
June 30, 1987

	TEMPORARILY RECLASSIFIED						Total All Funds
	General	Special Fund	OTIS	Project Budget	OTIS	Other Fnd	
Personnel Costs							
Admin and support	114	\$ 147,764	\$ 1,000	\$ 51,889	\$ 19,433	\$ 19,434	\$ 239,317
Professional fees (legal/audit)	4,921	11,075	852	2,482	1,877	1,056	17,263
Total personnel cost	5,035	158,839	1,852	54,371	21,310	12,490	256,587
Other expenses							
Advertising, Printing, Publication	-	2,043	-	-	-	-	2,043
Bank Charges	143	64	26	19	88	41	381
Building and Ground Maintenance	1,481	-	-	-	-	-	1,481
Contract and Consultant	-	1,191	-	-	-	-	1,191
Copies and Consumables	91	8,643	-	-	849	463	11,046
Electrical Maintenance and Fuel	-	2,474	-	248	-	16	2,738
Insurance	4,044	131	894	5,076	-	16	10,151
Operating Services	-	3,177	-	-	-	-	3,177
Printing	-	89,043	1,711	1,049	19,499	498	92,400
Reconstruction	-	-	-	3,092	2,489	1,848	7,469
Rent	1,479	5,289	9,277	2,192	1,712	117	20,076
Supplies	11,863	-	-	-	8,996	-	20,859
Telephone	-	2,022	-	1,047	-	229	3,298
Travel	148	1,811	81	917	1,072	175	4,024
Utilities	-	10,498	272	-	1,451	201	12,422
Total other expenses	18,527	81,278	12,731	18,643	28,631	4,176	193,586
Total Personnel Expenses	19,562	240,117	14,583	73,014	49,941	16,666	353,863

See accompanying notes to financial statements

OPPORTUNITIES INDUSTRIALIZATION CENTER
INCORPORATED OF QUACSETA

Monroe, Louisiana

Schedule of Federal Financial Assistance

June 30, 1997

SOURCE OF FEDERAL ASSISTANCE AGENCY	FEDERAL C.F.D.A. NUMBER	RECEIPTS OR REVENUE RECOGNIZED	DEPARTMENTAL EXPENSES
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through State of Louisiana			
Department of Urban Development			
Community Development			
Block Grant-CDER (Non-major Program)			
	14-240	\$ 30,021	\$ 30,021
TOTAL, UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		\$ 30,021	\$ 30,021
UNITED STATES DEPARTMENT OF LABOR			
Passed through the Louisiana Department of Labor			
Job Training Partnership Act-OTDA			
(Non-major Program)			
	17-25	\$ 18,000	\$ 18,000
		\$ 18,000	\$ 18,000
TOTAL FEDERAL ASSISTANCE		\$ 58,021	\$ 58,021

See accompanying notes to financial statements.