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LOUISIANA STATE BOARD OF BOARD
 CERTIFIED SOCIAL WORK EXAMINERS
 DEPARTMENT OF HEALTH AND HOSPITALS
 STATE OF LOUISIANA

FINANCIAL STATEMENTS

TWO YEARS ENDED JUNE 30, 1927

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, 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—OCT 08 1927

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 STATE OF LOUISIANA
 DEPARTMENT OF HEALTH AND HOSPITALS

LOUISIANA STATE BOARD OF BOARD
 CERTIFIED SOCIAL WORK EXAMINERS
 DEPARTMENT OF HEALTH AND HOSPITALS
 STATE OF LOUISIANA
 FINANCIAL STATEMENTS
 TWO YEARS ENDED JUNE 30, 1997

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DYER & VICKNAIR

CERTIFIED PUBLIC ACCOUNTANTS

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NEW ORLEANS, LOUISIANA 70112SUITE 1000, 1000 PINE ST.
NEW ORLEANS, LOUISIANA 70112
PHONE (504) 581-1000**INDEPENDENT AUDITORS' REPORT**

Louisiana State Board of Board
Certified Social Work Examiners
Department of Health and Hospitals
State of Louisiana
Baton Rouge, Louisiana

We have audited the accompanying general-purpose financial statements of

**LOUISIANA STATE BOARD OF BOARD
CERTIFIED SOCIAL WORK EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
BATON ROUGE, LA**

a component unit of the State of Louisiana, as of June 30, 1997, and for the two years then ended. These financial statements are the responsibility of Louisiana State Board of Board Certified Social Work Examiners, Baton Rouge, Louisiana'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. 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 general-purpose financial statements referred to above present fairly, in all material respects, the financial position of Louisiana State Board of Board Certified Social Work Examiners, Baton Rouge, Louisiana at June 30, 1997, and the results of its operations for the two years then ended in conformity with generally accepted accounting principles.

DYER & VICKNAIR

CERTIFIED PUBLIC ACCOUNTANTS

In accordance with Government Auditing Standards, we have also issued a report dated September 24, 1997 on our consideration of Louisiana State Board of Board Certified Social Work Examiners, Baton Rouge, Louisiana's internal control structure and a report dated September 24, 1997 on its compliance with laws and regulations.

Baton Rouge, Louisiana
September 24, 1997

Dyer & Vicknair

LOUISIANA STATE BOARD OF BOARD
 CERTIFIED SOCIAL WORK EXAMINERS
 DEPARTMENT OF HEALTH AND HOSPITALS
 STATE OF LOUISIANA
 ALL FUNDS AND ACCOUNT GROUPS
 BALANCE SHEET
 JUNE 30, 1992

	<u>GOVERNMENTAL</u> <u>FUND</u>	<u>ACCOUNT</u> <u>GROUP</u> <u>GENERAL</u> <u>FUND</u> <u>ASSETS</u>	<u>TOTAL</u> <u>(INCORPORATION</u> <u>ONLY)</u>
ASSETS AND OTHER DEBITS			
Cash	\$ 89,932		\$ 89,932
Investments	39,041		39,041
Fixed assets		\$ 16,583	16,583
Total assets and other debits	<u>128,973</u>	<u>16,583</u>	<u>145,556</u>
LIABILITIES AND FUND EQUITY			
Liabilities			
Accounts payable	\$ 4,181		\$ 4,181
Payroll taxes payable	<u>496</u>		<u>496</u>
Total current liabilities	<u>4,677</u>		<u>4,677</u>
Fund Equity			
Investment in general fixed assets		\$ 16,583	16,583
Fund balance	<u>104,296</u>		<u>104,296</u>
Total fund equity	<u>104,296</u>	<u>16,583</u>	<u>120,879</u>
Total liabilities and fund equity	<u>108,973</u>	<u>16,583</u>	<u>125,556</u>

The accompanying notes are an integral part of this statement.

LOUISIANA STATE BOARD OF BOARD
 CERTIFIED SOCIAL WORK EXAMINERS
 DEPARTMENT OF HEALTH AND HOSPITALS
 STATE OF LOUISIANA
 GOVERNMENTAL FUNDS - GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 TWO YEARS ENDED JUNE 30, 1997

	YEAR ENDED JUNE 30, 1997	YEAR ENDED JUNE 30, 1996
REVENUES		
Licenses and fees	\$ 199,393	\$ 128,710
Interest	4,358	3,559
Other	8,565	13,800
Total revenues	<u>212,316</u>	<u>146,069</u>
EXPENDITURES		
Personnel services and related benefits	91,800	41,837
Operating services	43,813	26,853
Materials and supplies	5,482	3,368
Professional services	30,941	27,092
Traavel	42,158	37,047
Capital outlay	20,453	-
Total expenditures	<u>234,647</u>	<u>136,197</u>
EXCESS OF REVENUES OVER EXPENDITURES	28,202	9,120
FUND BALANCES, beginning of year	<u>28,600</u>	<u>74,788</u>
FUND BALANCES, end of year	<u>104,280</u>	<u>84,008</u>

The accompanying notes are an integral part of this statement.

LOUISIANA STATE BOARD OF BOARD
 CERTIFIED SOCIAL WORK EXAMINERS
 DEPARTMENT OF HEALTH AND HOSPITALS
 STATE OF LOUISIANA
 GOVERNMENTAL FUND - GENERAL FUND
 STATEMENT OF BUDGET, REPEROTURES AND
 CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 TWO YEARS ENDED JUNE 30, 1977

	YEAR ENDED JUNE 30, 1977		
	BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
REVENUES			
Licenses and fees	\$ 183,500	\$ 188,300	\$ 4,800
Interest	3,500	4,300	800
Other	28,000	9,500	(18,500)
Total revenues	215,000	202,100	(12,900)
EXPENDITURES			
Personal services and related benefits	54,800	51,800	3,000
Operating services	55,800	43,810	11,990
Materials and supplies	3,500	3,882	(382)
Professional services	40,000	30,741	9,259
Travel	38,000	47,150	(9,150)
Capital outlay	32,900	20,821	12,079
Total expenditures	218,000	198,114	19,886
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0	38,900	38,900
FUND BALANCE, beginning of year	58,400	84,000	25,600
FUND BALANCE, end of year	58,400	122,900	64,500

The accompanying notes are an integral part of this statement.

<u>YEAR ENDED JUNE 30, 1984</u>		
<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
\$ 112,000	\$ 120,310	\$ 8,310
3,500	3,559	59
<u>28,000</u>	<u>13,660</u>	<u>(14,340)</u>
<u>138,500</u>	<u>140,487</u>	<u>1,987</u>
34,804	41,817	(4,023)
49,100	26,853	22,447
2,500	3,368	(868)
37,000	37,082	82
38,000	37,847	1,153
<u>163,354</u>	<u>136,183</u>	<u>27,017</u>
(37,484)	9,320	36,874
<u>83,313</u>	<u>74,758</u>	<u>8,555</u>
<u>55,710</u>	<u>84,000</u>	<u>(28,290)</u>

LOUISIANA STATE BOARD OF BOARD
CERTIFIED SOCIAL WORK EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTE TO THE FINANCIAL STATEMENTS
TWO YEARS ENDED JUNE 30, 1997

INTRODUCTION

The Louisiana State Board of Board Certified Social Work Examiners, Baton Rouge, Louisiana is a component unit of the State of Louisiana created within the Louisiana Department of Health and Hospitals, as provided by Louisiana Revised Statutes (LSA-R.S.) 37:3101-3110. The board is composed of five members, appointed by the governor, who serve without compensation for terms of three years. Board members are selected from a list compiled by the Louisiana Society for Clinical Social Work Examiners and the State Council of the National Association of Social Workers. The board was established to safeguard the public health, safety and welfare of the people of this state against unauthorized, unqualified, and improper practice of social work. The board's operations are funded entirely through annual self-generated revenues. As of June 30, 1997, there were 3,917 licensed certified social workers in the state.

Note #1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements of Louisiana State Board of Board Certified Social Work Examiners, Baton Rouge, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. In accordance with GASB Codification Section 2100, the board is a component unit of the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the board members and public service is rendered within the state's boundaries. The accompanying component unit financial statements present only the transactions of Louisiana State Board of Board Certified Social Work Examiners, Baton Rouge, Louisiana, a component unit of the State of Louisiana.

LOUISIANA STATE BOARD OF BOARD
CERTIFIED SOCIAL WORK PRACTITIONERS
DEPARTMENT OF REVENUE AND ECONOMICS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
THE YEARS ENDED JUNE 30, 1997
(Continued)

C. Fund Accounting

The board uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect the net expendable available financial resources.

Funds of the board are classified as governmental funds. Governmental funds account for the board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of general fixed assets, and the servicing of general long-term obligations. Governmental funds of the board include:

General Fund

The general fund is the general operating fund of the board. It is used to account for all financial resources except those required to be accounted for in other funds.

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

LOUISIANA STATE BOARD OF BOARD
CERTIFIED SOCIAL WORK EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
TWO YEARS ENDED JUNE 30, 1992
(Continued)

Licenses and fees are recorded in the year received. Licenses are renewed annually between June 30 and November 30. A lapsed license fee is charged between December 1 and February 28 and licenses are cancelled after February 28.

Substantially all other revenues are recorded when received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. Fixed Assets and Long-Term Obligations

Fixed assets used in governmental fund type operations are not capitalized in the funds used to acquire them. Instead, capital acquisition is reflected in governmental funds, and the related assets are reported in the general fixed assets account group. No depreciation has been provided on such fixed assets. All fixed assets are valued at historical cost.

The Board has no long-term obligations at June 30, 1992.

The account group is not a fund. It is concerned only with the measurement of financial position, not with measurement of results of operations.

F. Encumbrances

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the application appropriation, is not employed.

G. Revolvs and Budgetary Accounting

An annual budget is adopted for the general fund on a basis consistent with generally accepted accounting principles.

LOUISIANA STATE BOARD OF BOARD
CERTIFIED SOCIAL WORK EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
TWO YEARS ENDED JUNE 30, 1977
(Continued)

E. Cash and Investments

Cash includes interest-bearing demand deposits and time deposits. Under state law, the board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law, and national banks having their principal offices in Louisiana, in savings account or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

Under state law, the board may invest in United States bonds, treasury notes or certificates.

The board considers time deposits and investments with an original maturity of three months or less to be cash equivalents. If the original maturities exceed 90 days, they are classified as investments.

Investments are stated at cost, which approximates market.

1. Compensated Absence and Post-Retirement Benefits

The board does not compensate its employees for vacation, sick leave, or postretirement health care and life insurance benefits.

2. Memorandum Only - Total Column

The total column on the balance sheet is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

Note #2: LEGAL COMPLIANCE - BUDGET

The board adopts a budget for the fiscal year at its spring meeting.

Formal budget integration is employed as a management control device during the year.

LOUISIANA STATE BOARD OF BOARD
 CERTIFIED SOCIAL WORK EXAMINERS
 DEPARTMENT OF HEALTH AND HOSPITALS
 STATE OF LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS
 TWO YEARS ENDED JUNE 30, 1993
 (Continued)

Balance, July 1, 1990	\$ 8,405
Additions	5
Balance June 30, 1990	<u>8,405</u>
Additions	14,804
Disposals	<u>(8,224)</u>
Balance, June 30, 1993	<u>14,985</u>

During the year ended June 30, 1993, the board purchased \$2,411 of computer software which was not considered as an addition to the general fixed asset account group.

Note #6: PENSION PLAN

Two employees of the board are members of the Louisiana State Employees Retirement System ("System"), a multiple-employer, (cost sharing), public employee retirement system (PERS) controlled and administered by a separate board of trustees.

All full time employees are eligible to participate in the System. Benefits vest with ten years of service. At retirement age, employees are entitled to annual benefits equal to 40% plus 3.5 percent of their highest consecutive 36 months average salary multiplied by their years of credited service. Vested employees may retire at (a) any age with thirty years of service, (b) age 55 with twenty-five years of service, or (c) at age 60 with ten years of service. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues stand-alone financial statements which may be obtained at P. O. Box 44213, Baton Rouge, LA 70804.

In addition to the employee contributions of 3.5% of gross salary, the board contributes an additional 12.4% of gross salary to the System. Contributions to the System were funded through employee and employer contributions of \$2,597 and \$3,366, and \$1,367 and \$3,929, respectively, for the years ended June 30, 1992 and June 30, 1993, respectively. The total payroll of the board for the years ended June 30, 1992 and June 30, 1993 was \$44,478 and \$38,751, respectively. The total payroll covered by the System for the years ended June 30, 1992 and June 30, 1993 was \$28,769 and \$22,160, respectively. The board contributed 12.8% of covered salary to the System during the year ended June 30, 1992, and 11.9% of covered salary or \$2,678 to the System during the year ended June 30, 1993. Under present statutes the board does not guarantee any of the benefits of the System.

LOUISIANA STATE BOARD OF BOARD
CERTIFIED SOCIAL WORK EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
TWO YEARS ENDED JUNE 30, 1997
(Continued)

Note #7: LEASES

The board leases office space. The lease was entered into with the landlord along with the Louisiana Board of Examiners for Speech-Language Pathology and Audiology and the Board of Examiners in Dietetic and Nutrition since all three (3) boards share the same office space. The lease calls for monthly rents of \$1,667 and expires on May 31, 2001. The board pays one-third (1/3) or \$555 each month as its share of the lease. Rent expenditures for the year ending June 30, 1997 and June 30, 1998 were \$6,660 and \$660, respectively.

Future minimum lease payments for this lease are as follows:

<u>Year ending</u> <u>June 30,</u>	<u>Amount</u>
1998	\$4,440
1999	\$6,660
2000	\$6,660
2001	\$6,650

The board has no capital leases.

Note #8: LITIGATION

There were no judgments, claims or similar contingencies pending against the board at June 30, 1997.

Note #9: OTHER MATTERS

As mentioned in footnote #7, Leases, the board shares office space with two (2) State boards. These three (3) boards also share five employees as well as certain office expenditures, such as the expenditures for janitorial, security, copy machine and utilities.

The employees' salaries are allocated to each of the three (3) boards based on actual time spent for each board.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE
BASED IN AN ASSESSMENT OF GENERAL-PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Louisiana State Board of Board
Certified Social Work Examiners
Department of Health and Hospitals
State of Louisiana
Baton Rouge, Louisiana

We have audited the general-purpose financial statements of Louisiana State Board of Board Certified Social Work Examiners, Baton Rouge, Louisiana, a component unit of the State of Louisiana, for the two years ended June 30, 1997, and have issued our report thereon dated September 24, 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. These 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 Louisiana State Board of Board Certified Social Work Examiners, Baton Rouge, Louisiana, 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 recorded 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 the policies and procedures may deteriorate.

In planning and performing our audit of the general-purpose financial statements of Louisiana State Board of Board Certified Social Work Examiners, Baton Rouge, Louisiana for the two years ended June 30,

1997, 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 component unit financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

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 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the board management, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.

There were no comments concerning the internal control structure in the audit for the year ended June 30, 1995.

Baton Rouge, Louisiana
September 24, 1997



DYER & VICKNAIR

CERTIFIED PUBLIC ACCOUNTANTS

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PUBLIC OFFICE BUILDING, SUITE 200
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BASED ON AN ASSESSMENT OF COMPONENT UNIT
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Louisiana State Board of Board
Certified Social Work Examiners
Department of Health and Hospitals
State of Louisiana
Baton Rouge, Louisiana

We have audited the general-purpose financial statements of Louisiana State Board of Board Certified Social Work Examiners, Baton Rouge, Louisiana, a component unit of the State of Louisiana as of and for the two years ended June 30, 1997, and have issued our report thereon dated September 24, 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.

Compliance with laws and regulations applicable to Louisiana State Board of Board Certified Social Work Examiners, Baton Rouge, Louisiana, is the responsibility of the board's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Louisiana State Board of Board Certified Social Work Examiners compliance with certain provisions of laws and regulations. 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 under Government Auditing Standards.

This report is intended for the information of the board management, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

There were no instances of material noncompliance noted in the audit for the year ended June 30, 1997.

Baton Rouge, Louisiana
September 24, 1997

Dyer & Vicknair