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**VSA ARTS OF LOUISIANA, INC  
INDEPENDENT ACCOUNTANT'S  
COMPILATION AND ATTESTATION REPORT  
ON THE STATE FUNDED PROGRAM**

**For the Twelve Months Ended June 30, 2002**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 4/2/03

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To The Governing Board of  
VSA Arts of Louisiana, Inc  
Baton Rouge, Louisiana

We have compiled the accompanying Statement of Cash Funding and Disbursements of VSA Arts of Louisiana, Inc program grant from the Louisiana Department of Education for the fiscal year ended June 30, 2002, 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. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the entity's financial position, results of operations and changes in cash flow. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Respectfully submitted,



Kevin F. Caire  
Certified Public Accountant  
March 26, 2003 Revised

**VSA ARTS OF LOUISIANA, INC.  
(FORMERLY VERY SPECIAL ARTS/LOUISIANA, INC.)  
STATE FUNDED PROGRAM  
STATEMENT OF CASH FUNDING AND DISBURSEMENTS  
FOR THE YEAR ENDED JUNE 30, 2002**

<b>Fund Balance - July 1, 2001</b>	\$	0
<b>Funding Received - July 1, 2001 - June 30, 2002 (Note 4)</b>		
Louisiana Department of Education - Grant Funding	\$ 50,000	
Other Grant Funding (BESE)	<u>48,500</u>	
<b>Total Funding Received - Current Fiscal Year</b>		<u>98,500</u>
<b>Total Funding Available</b>		<u>98,500</u>
<b>Cash Disbursements - Current Fiscal Year (Note 4)</b>		
<b>Program Costs</b>		
Blues In the Schools	3,357	
Festival	12,000	
Holiday Arts Program	5,000	
Mini Grants To Teachers	4,474	
Artist-In-The-Classroom	29,965	
Poetry Program	3,200	
Start With The Arts	12,641	
Summer Art Camp	5,000	
Summer Arts Institutes	5,000	
Urban-Taking Notice/Cultural Access	5,858	
Other including Materials & Supplies	<u>5,979</u>	
Total Program Costs		92,474
Equipment		2,968
Office Supplies and Expenses		<u>1,298</u>
<b>Total Cash Disbursements - Current Fiscal Year</b>		<u>96,740</u>
<b>Fund Balance Per Books, June 30, 2002</b>		<u><u>1,760</u></u>

See Accountant's compilation letter  
The accompanying notes are an integral part of this financial statement

**VSA ARTS OF LOUISIANA, INC.  
(FORMERLY VERY SPECIAL ARTS/LOUISIANA, INC.)  
STATE FUNDED PROGRAM**

**SCHEDULE 1  
JULY 1, 2002 TO OCTOBER 31, 2002**

(See Note 4)

<b>Fund Balance - July 1, 2002</b>		<b>\$</b>	<b>1,760</b>
 <b>Remaining Funding Received</b>			
Louisiana Department of Education - Grant Funding		\$	50,000
Other Grant Funding (BESE)			<u>16,000</u>
<b>Total Funding Received - After Fiscal Year ended 6/30/02</b>			<u>66,000</u>
 <b>Remaining Funding Available</b>			
			<u>67,760</u>
 <b>Less Cash Disbursements - After Fiscal Year ended 6/30/02</b>			
<b>Program Costs</b>			
Blues In the Schools	4,999		
Festival	2,000		
Artist-In-The-Classroom	32,136		
School -To-Work Project	5,000		
Summer Arts Institutes	4,590		
Taking Notice Project	2,500		
Other including Materials & Supplies	<u>2,157</u>		
<b>Total Program Costs</b>		53,382	
Office Supplies and Expenses		<u>0</u>	
<b>Total Cash Disbursements - After Fiscal Year ended 6/30/02</b>			53,382
 Less Accrued Expense remaining to be paid			<u>2,000</u>
 <b>Fund Balance as of October 31, 2002</b>			<u><u>12,378</u></u>

See Accountant's compilation letter  
The accompanying notes are an integral part of this financial statement

**VSA ARTS OF LOUISIANA, INC**  
**STATE FUNDED PROGRAM**  
**NOTES TO THE STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**For the Twelve Months Ended June 30, 2002**

**1) Summary of Program**

VSA Arts of Louisiana, Inc was funded by a \$100,000 grant from the State of Louisiana Department of Education for the expansion of the Very Special Arts Programs statewide providing additional arts experiences to students with disabilities and exceptionalities. Included are art-based programs in creative writing, dance, drama, music and the visual arts implemented through a parish network throughout the State of Louisiana. VSA Arts of Louisiana's programs consist of Artist-in-the-Classroom, Summer Art Institutes for teachers, Start with the Arts, Art-To-Work and Art Exhibits. Very Special Arts programs are organized on the state and local level in collaboration with schools, hospitals, recreation facilities, and other community organizations.

**2) Basis of Presentation**

The accompanying statement of cash receipts and disbursements is a summary of cash activity of VSA Arts of Louisiana, Inc for the state funded grant and other funding and expenses in the same banking accounts. This financial statement does not present transactions that would be included in financial statements presented on the accrual basis of accounting, as contemplated by generally accepted accounting principles. Revenue and support are reported when received, and expenses are reported when paid. Activity for funding received and expenses not paid by this statement date were paid within a reasonable period of time after statement date and are shown on Schedule 1.

**3) Board of Directors - Compensation & Per Diem**

No compensation or per diem expenses were paid to any board member from this program.

**4) Carry Over Funding/Additional Activity/Fund Balance**

There was no balance of funds from a previous program year received in this fiscal year. For each of the two grants reported in this statement, only partial funding was received during this fiscal year. Schedule 1 is provided to report the remaining financial activity for these programs after the end of this fiscal year. The two grant programs were closed by October 31, 2002. The excess funding for the BESE grant has been returned. The fund balance remaining at October 31, 2002 is excess funding to be returned to The Department of Education.

**KEVIN F. CAIRE, CPA**  
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Independent Accountant's Report  
on Applying Agreed-Upon Procedures

To the Management of VSA Arts of Louisiana, Inc:

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of VSA Arts of Louisiana, Inc., the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about VSA Arts of Louisiana, Inc. compliance with certain laws and regulations during the year ended June 30, 2002 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 and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we 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.
2. For each Federal, state, and local award, we randomly selected 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.
3. For the item selected in procedure 2, we traced the six disbursements to supporting documentation as to proper amount and payee.

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

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

The six payments were properly coded to the correct fund and general ledger account.

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

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the accountant and the president.

6. For the items selected in procedure 2: For federal awards, we determined whether the disbursements complied with the applicable specific program compliance requirements summarized in the *Compliance Supplement* (or contained in the grant agreement, if the program is not included in the *Compliance Supplement*) and for state and local awards, we determined whether the disbursements complied with the grant agreement, relating to:

**Activities allowed or unallowed:**

We reviewed the previously listed disbursements for types of services allowed or not allowed. All the disbursements were in compliance.

**Eligibility**

We reviewed the previously listed disbursements for eligibility requirements. All disbursements were in compliance.

**Reporting**

We reviewed the previously listed disbursements for reporting requirements. All disbursements were in compliance.

7. For the programs selected for testing in item (2) that had been closed out during the period under review, we compared the close-out report, when required, with the entity's financial records to determine whether the amounts agree.

**Meetings**

8. We examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

VSA Arts of Louisiana, Inc. is only required to post a notice of each meeting and the accompanying agenda on the door of the VSA Arts of Louisiana, Inc. office. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion.

**Comprehensive Budget**

9. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agencies was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

VSA Arts of Louisiana, Inc. provided comprehensive budgets to the applicable state grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.



**Prior Comments and Recommendations**

10. We reviewed any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

There were no such matters.

We were 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, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of VSA Arts of Louisiana, Inc., the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

  
March 26, 2003



Promoting the creative power in people with disabilities

BOARD OF DIRECTORS

- William J. Sanchez, President
N.O. Firefighters Association
Dr. Marilyn A. Seibert, Immediate Past President
Professor Special Education Southern University
Randy Zinna, Treasurer
Attorney
Mildred Hayes, Secretary
Retired Art Educator
Elaine August
Supervisor, Special Education
Virginia C. Beridon
Director, Division of Special Populations, Department of Education
Donna Calabrese
Arts Advocate
Dr. Dominic A. Cangelosi
Professor of Veterinary Science
Dr. James B. Edwards
Professor Emeritus, Art Education
Ida C. Hall
Parent
Kimberly Jacobs
Chemist
Honorable Keith T. Johnson
Member, La. Board of Elementary and Secondary Education
Honorable Pamela Taylor-Johnson
Juvenile Court Judge
Mazie S. Malveaux
Senior Specialist for Research and Development, LCET, Department of Education
Rep. Arthur A. Morrell,
Louisiana State Representative, Attorney
Ralph Perlman
Director, Gaming Commission
Martin Sotile
Fine Arts Education
Department of Education
Sue Turner
Arts Advocate
Dr. Carol S. Whelan
Assistant Superintendent
Department of Education
Everett G. Parker
Executive Director

Formerly Very Special Arts Louisiana

Date: March 26, 2003

Kevin F. Caire
Certified Public Accountant
8658 Quarters Lake Road
Baton Rouge, LA 70809

Dear Mr. Caire:

In connection with your compilation of our financial statements as of June 30, 2002 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of 3/26/03.

Federal, State, and Local Awards

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes [X] No [ ]

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes [X] No [ ]

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes [X] No [ ]

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes [X] No [ ]

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Yes [X] No [ ]



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Vision of an inclusive community • Strength in shared resources • Artistic expression that unites us all

Very Special Arts/Louisiana, Inc  
Questionnaire

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**Budget**

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purposes and duration, and for state grants included specific goals and objectives and measures of performance.

Yes [  ] No [  ]

**Prior Year Comments**

We have resolved all prior-year recommendations and/or comments.

Yes [  ] No [  ] *N/A*

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

Secretary	<u><i>Mildred W. Hayes</i></u>	Date	<i>3-26-03</i>
Treasurer	<u><i>Harvey P. Quinn</i></u>	Date	<i>3-26-03</i>
President	<u><i>Donna A. Lynch</i></u>	Date	<i>3/26/03.</i>

**KEVIN F. CAIRE, CPA**  
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**MANAGEMENT LETTER**

To The Governing Board of  
VSA Arts of Louisiana, Inc  
Baton Rouge, Louisiana

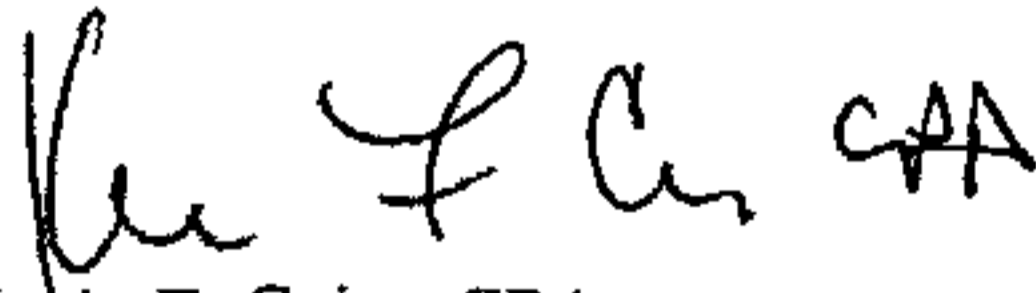
This letter is issued to inform management of compliance issues that arise during our engagement to compile your statements for the fiscal year ending June 30, 2002. As you know, the report has been issued after the statutory date of December 31, 2002. The reason for this non-compliance was due to fact that the Questionnaire to be completed by officers of the entity was delayed in being returned to us. In addition, we had attempted to get additional data for an extended period of time that was necessary to complete the engagement. Due to our scheduling, at the time we had finally received all the proper information we had other obligations to complete.

Secondly, the accounting was somewhat incomplete and due to your limited space, not all records were immediately available. I have discussed this issue with personnel in charge of the accounting duties and have given suggestions of the proper accounting relating to different grants and the importance of having all necessary documents we will require currently available.

It is the responsibility of the client to provide any documents needed in a timely fashion and we advise you to notify your staff of the importance of providing necessary documents timely. For our part, in the future we will make a more aggressive effort to pursue any documents that may be needed and assure that it is timely received.

A copy of this letter is being forwarded with the report to the Legislative Auditor as required by law. If you have any questions, please do not hesitate to contact us to discuss.

Sincerely,



Kevin F. Caire, CPA  
February 10, 2002



Board of Directors  
2758-D Brightside Lane  
Baton Rouge, Louisiana 70820  
(225) 761-4243

*Promoting the creative power in people with disabilities*

March 05, 2003

To: Kevin F. Caire, CPA  
8658 Quarters Lake Road  
Baton Rouge, LA 70809

Dear Sir:

In consideration of the problems encountered during the last fiscal year that contributed to the lateness of VSA's audit compilation, the board of directors of VSA arts of Louisiana has made the following provisions to assure that all appropriate paperwork and audits are conducted and completed in a timely manner according to state law.

1. The board has contracted with a new Executive Director, Mazie Malveaux, who is an experienced administrator. Because of Mazie's work, all of our operations are already upgraded and coming on level, as they should be.
2. The board has contracted one additional programmatic staff person, and increased secretarial support, to manage: create, receive, sort and file the great bulk of paperwork generated in the implementation of statewide programs.
3. The staff has consolidated all fiscal related information at the central location, 2758-D Brightside Lane, Baton Rouge, LA 70820. A three-person team oversees the process of assuring that documents created off site are organized at the central office.
4. Also, at a personal level, in the last 13 months I loss two sisters to unexpected death and my mother suffered a series of strokes. I could not sustain many of my professional commitments at the level I desired. I do have 6 other siblings, but certainly hope to not repeat this; however, in the event of such personal events, the impact to the organization will be negligent. I will focus my organizational work in the development area. The executive director is prepared to make deliberate, swift decisions to move the organization forward to meet or exceed all of its goals.
5. At the board level other changes are in progress to improve the overall efficiency of the organization and to continue, even enhance the administration of quality arts programs to students with disabilities in our state. The board's goal is to assure it is in compliance with local, state and federal regulations. Should you need any further information regarding this matter, please call me at 225-761-4243 or Mazie Malveaux at 225-774-4211.

Regards,

A handwritten signature in cursive script, appearing to read "Everett G. Parker", written in black ink.

Everett G. Parker, Fiscal and Development Officer  
VSA arts of Louisiana

EGP:egj