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NORTHEAST LOUISIANA SICKLE CELL ANEMIA
TECHNICAL RESOURCE FOUNDATION, INCORPORATED
Monroe, Louisiana

BASIC FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
WITH SUPPLEMENTAL INFORMATION SCHEDULES

As Of And For The Year Ended December 31, 1995

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 04 1996

NORTHEAST LOUISIANA SICKLE CELL ANEMIA
TECHNICAL RESOURCE FOUNDATION, INCORPORATED
Monroe, Louisiana

Basic Financial Statements
and Independent Auditor's Report

As of and for the Year Ended December 31, 1995

C O N T E N T S

	STATEMENTS -----	PAGE NO. -----
Independent Auditor's Report		1-2
Financial Statements:		
Balance Sheet	A	4
Statement of Support, Revenue, Expenses, and Changes in Fund Balances	B	5
Statement of Functional Expenses	C	6
Statement of Cash Flows	D	7
Notes to the Financial Statement		8-12
Independent Auditor's Report On Internal Control Structure Based On An Audit Of Basic Financial Statements Performed In Accordance With Government Auditing Standards		13-17
Independent Auditor's Report On Compliance Based On An Audit Of Basic Financial Statements Performed In Accordance With Government Auditing Standard		18
	SCHEDULE -----	PAGE NO. -----
Supplemental Information:		
Supplemental Information Schedule	1	20
Status of Prior Year Findings	2	21

- Accounting Services
- Tax Services

LOUIS R. BRADLEY

CERTIFIED PUBLIC ACCOUNTANT

(A Professional Corporation)

- Audit Services
- Computer Consultant

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American Institute of Certified Public Accountants • Society of Louisiana Certified Public Accountants
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
NORTHEAST LOUISIANA SICKLE CELL ANEMIA
TECHNICAL RESOURCE FOUNDATION, INCORPORATED
Monroe, Louisiana

I have audited the accompanying Balance Sheet of NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED (a nonprofit organization) as of December 31, 1995, and the related Statements of Support, Revenue, Expenses and Changes In Fund Balances, Functional Expenses, 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.

Except as discussed in the following paragraph, 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.

NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED received a state grant to operate a Sickle Cell Anemia Satellite Clinic in Monroe, Louisiana. The contract was awarded jointly to NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED and Eighth Regional Sickle Cell Foundation, Incorporated for \$60,000.00. NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED disbursed \$30,000.00 to Eighth Regional Sickle Cell Foundation, Incorporated, which is a private nonprofit organization recognized under section 501(c)(3) of the Internal Revenue Service Codes. The audit of NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED for the fiscal year ended December 31, 1995 does not include those funds transfer to Eighth Regional Sickle Cell Foundation, Incorporated. Therefore, no audit procedures were applied to those funds.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the disbursement of cash expenses referred to in the preceding paragraph been susceptible to satisfactory audit tests, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED as of December 31, 1995, and the results of its operations and the changes in its financial position for the year then ended in conformity with generally accepted accounting principles.



LOUIS R. BRADLEY
CERTIFIED PUBLIC ACCOUNTANT

Monroe, Louisiana
June 17, 1996

FINANCIAL STATEMENTS

STATEMENT A

NORTHEAST LOUISIANA SICKLE CELL ANEMIA
TECHNICAL RESOURCE FOUNDATION, INCORPORATED
Monroe, Louisiana

BALANCE SHEET

December 31, 1995

CURRENT FUNDS

	CURRENT FUNDS			
	UNRESTRICTED	RESTRICTED		
	CURRENT FUND	UNITED WAY FUND	GENETIC DISEASE FUND	TOTAL ALL FUNDS
ASSETS				

Current Assets:				
Cash	\$ 143,045	\$ 763	\$ 507	\$ 144,315
Accounts Receivable	-	-	20,000	20,000
Deposits	150	-	-	150
	-----	-----	-----	-----
Total Current Assets	143,195	763	20,507	164,465
Fixed Assets:				
Capital Assets	51,559	-	-	51,559
Accumulated Depreciation-C.A.	(29,715)	-	-	(29,715)
	-----	-----	-----	-----
Total Fixed Assets	21,844	-	-	21,844
	-----	-----	-----	-----
TOTAL ASSETS	\$ 165,039	\$ 763	\$20,507	\$ 186,309
=====				
LIABILITIES AND FUND BALANCE				

Liabilities:				
Accounts payable	\$ 151	\$ -	\$ -	\$ 151
Payroll Taxes payable	241	763	-	1,004
Deferred Revenue	-	-	14,842	14,842
	-----	-----	-----	-----
Total Liabilities	392	763	14,842	15,997
Fund Balances:				
Investment in General Fixed Asset	21,844	-	-	21,844
Reserve For Capital Expansion	144,813	-	-	144,813
Unreserved: Designated	(2,010)	-	5,665	3,655
	-----	-----	-----	-----
Total Fund Balances	164,647	-	5,665	170,312
	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND EQUITY	\$ 165,039	\$ 763	\$20,507	\$ 186,309
=====				

The accompanying notes constitute an integral part of this statement.

STATEMENT B

NORTHEAST LOUISIANA SICKLE CELL ANEMIA
TECHNICAL RESOURCE FOUNDATION, INCORPORATED
Monroe, Louisiana

STATEMENT OF SUPPORT, REVENUE, EXPENSES,
AND CHANGES IN FUND BALANCES

Year Ended December 31, 1995

CURRENT FUNDS

	UNRESTRICTED		RESTRICTED		TOTAL ALL FUNDS
	CURRENT OPERATING FUND	UNITED WAY FUND	GENETIC DISEASE FUND		
PUBLIC SUPPORT:					
Contributions	\$ 24,582	\$ -	\$ -		\$ 24,582
TOTAL PUBLIC SUPPORT	24,582	-	-		24,582
OTHER REVENUES:					
Local Grants	-	27,223	35,158		62,381
State Grants	-	-	30,000		30,000
Interest Income	4,560	-	-		4,560
Other Income	175	-	-		175
TOTAL OTHER REVENUES	4,735	27,223	65,158		97,116
TOTAL PUBLIC SUPPORT AND OTHER REVENUES	\$ 29,317	\$ 27,223	\$ 65,158		121,698
EXPENSES:					
Program Services: Patient Tracking, Counseling, Screening, and Education	\$ -	\$ 27,223	\$ 65,308		\$ 92,531
Supporting Services: Management and General	31,327	-	-		31,327
TOTAL EXPENSES	\$ 31,327	\$ 27,223	\$ 65,308		\$ 123,858
PUBLIC SUPPORT AND OTHER REVENUES OVER (UNDER) EXPENSES	(2,010)	-	(150)		(2,160)
FUND BALANCE					
Beginning of Year	\$ 166,657	\$ -	\$ 5,815		\$ 172,472
FUND BALANCE - END OF YEAR	\$ 164,647	\$ -	\$ 5,665		\$ 170,312

The accompanying notes constitute an integral part of this statement.

STATEMENT C

NORTHEAST LOUISIANA SICKLE CELL ANEMIA
TECHNICAL RESOURCE FOUNDATION, INCORPORATED
Monroe, Louisiana

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 1995

CURRENT FUNDS

	UNRESTRICTED		RESTRICTED		TOTAL ALL FUNDS
	CURRENT OPERATING FUND	UNITED WAY FUND	GENETIC DISEASE FUND		
SALARIES & RELATED EXPENSES:					
Salaries	\$ 8,405	\$ 21,940	\$ 18,803	\$	49,148
Fringe Benefits	643	1,678	1,438		3,759
TOTAL SALARIES AND RELATED EXPENSES	9,048	23,618	20,241		52,907
EXPENSES:					
Travel	4,134	682	3,583		8,399
Professional Services	3,120	1,500	299		4,919
Specific Assistance To Persons	1,886	148	1,764		3,798
Supplies	2,874	408	1,244		4,526
Conference, Conv., & Meetings	-	-	-		-
Other Costs	4,589	867	8,177		13,633
Satelite Clinic Expense	-	-	30,000		30,000
Capital Outlay	-	-	-		-
TOTAL EXPENSES BEFORE DEPRECIATION	16,603	3,605	45,067		65,275
DEPRECIATION:					
Depreciation-Equipment	5,034	-	-		5,034
Depreciation-Building	642	-	-		642
TOTAL DEPRECIATION	5,676	-	-		5,676
TOTAL EXPENSES	\$ 31,327	\$ 27,223	\$ 65,308	\$	123,858

The accompanying notes constitute an integral part of this statement.

NORTHEAST LOUISIANA SICKLE CELL ANEMIA
 TECHNICAL RESOURCE FOUNDATION, INCORPORATED
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 1995

STATEMENT D

OPERATING ACTIVITIES:	CURRENT FUND UNRESTRICTED	UNITED WAY FUND	GENETIC DISEASE FUND	TOTAL
Excess of Revenue Over Expenses	-2010	0	-150	-2160
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	5676	0	0	5676
Changes in assets and liabilities:				
\ Increase in receivables	0	0	-20000	-20000
\ Decrease in accounts payable	392	380	14842	15614
\ Decrease in payroll taxes payable	0	0	0	0
\ Increase in accrued expenses	0	0	0	0
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	4058	380	-5308	-870
 CASH FLOWS FROM INVESTING ACTIVITIES				
Equipment purchases	-5034	0	0	-5034
 CASH FLOWS FROM FINANCING ACTIVITIES				
	0	0	0	0
NET INCREASE (DECREASE) IN CASH	-976	380	-5308	-5904
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	144021	383	5815	150219
CASH AND CASH EQUIVALENTS AT END OF YEAR	143045	763	507	144315

The accompanying notes constitute an integral part of this statement.

NORTHEAST LOUISIANA SICKLE CELL ANEMIA
TECHNICAL RESOURCE FOUNDATION, INCORPORATED
Monroe, Louisiana

Notes To The Financial Statement
As of and for the Year Ended December 31, 1995

1. SUMMARY OF ORGANIZATION & SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Operations

The NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED is a community based nonprofit organization serving eleven parishes. The ORGANIZATION is recognized as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Service Codes. It's primary function is to provide services to persons born with Sickle Cell Anemia, a hereditary disorder. Such services include educational programs, patient assistance programs, genetic counseling, research and social services. The ORGANIZATION is governed by a Board of Directors consisting of thirty-six (36) members. The Board Members receive no compensation.

B. Basis of Presentation

The Organization follows 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 Organizations." Accordingly, the financial statements are prepared on an accrual basis of accounting.

The Organization maintains its accounts in accordance with the principles of fund accounting. All financial transactions have been recorded on and reported by the following fund groups:

Current Restricted Funds represent resources currently available for use, but expendable only for those operating purposes specified by the donor. Resources of this fund originate from gifts and grants.

Current Unrestricted Funds represent resources currently available for use, and over which the Board of the Directors has discretionary control. Land, Building and Equipment Funds are designated for equipment acquisitions, for recording the costs of building and equipment.

C. Functional Expenses

Expenses are charged to each program based on direct expenditures incurred. Any expenditures not directly

NORTHEAST LOUISIANA SICKLE CELL
 ANEMIA TECHNICAL RESOURCE
 FOUNDATION, INCORPORATED
 Monroe, Louisiana
 Notes to the Financial Statements (Continued)
 Page 2

chargeable are allocated to a program based on related salary expenses. There were no indirect cost charged during the contract period.

D. Income Tax Status

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue code and therefore, no provision for federal income taxes have been made.

E. 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 fund balances in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

F. 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. On December 31, 1995, NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED had cash & cash equivalents totaling \$144,315 as follows:

Demand Deposits:	
Interest bearing	\$ 74,895
Non-Interest bearing	69,420

TOTAL	\$144,315
	=====

Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the federal agent bank. The market value of the pledged security plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. Deposits at December 31, 1995 were fully secured by federal deposit insurance.

NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED cash equivalent accounts consist of \$74,895 of Certificates of Deposits at December 31, 1995. These certificates bear interest rates ranging from 6.40% to 8.00% in 1995. For the purposes of determining cash equivalents the agency considers all highly liquid investments with a maturity date of twelve months or less to be cash equivalents.

G. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

2. PENSION PLAN

All employees of the Sickle Cell Foundation are members of the Social Security System. In addition to the employees' contribution withheld at 7.65 percent, the agency contributes an equal amount to the Social Security System. Pension cost of the year was \$3,759. NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED does not guarantee the benefits granted by the Social Security System.

3. DONATED SERVICES

The value of donated services are not reflected in the accompanying financial statements since there is no objective basis available by which to measure the value of such services. However, for the purpose of this report, amounts are immaterial.

4. BUDGET PRACTICES

The NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED did not formally adopt a budget for it's General Fund or State Grant for the year ended December 31, 1995. Because of this, the financial statements does not reflect comparison of revenue and expenditures to budget.

5. CONTRIBUTIONS

Contributions consist of personal donations and small fundraisers. All contributions are considered to be available

for unrestricted use unless specifically restricted by the donors.

6. PROPERTY, PLANT, AND EQUIPMENT

Fixed Assets used in the nonprofit ORGANIZATION are accounted for in the Operating (General) Fund account. Property, Plant and Equipment is stated at cost. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer. At December 31, 1995, NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED fixed assets consisted of the following:

	<u>1995</u>	<u>1996</u>
Land	\$ 1,000	\$ 1,000
Building	27,266	27,266
Equipment	18,260	23,293
	<u>46,526</u>	<u>51,559</u>
	=====	=====

Assets of \$5033 were purchased during the audit period.

7. RESERVE FOR PLANT EXPANSION

At the Board meeting on April 17, 1993, the Board voted to appropriate one half (1/2) of its annual operating budget each year for current year operations. However, for the fiscal year ended December 31, 1995, no funds were set aside for Plant Expansion in the current year because the Operating Fund expended its entire budget.

8. ACCUMULATED DEPRECIATION

Management elected to start deducting depreciation in 1994. The \$27,266 cost of the building is being depreciated using the straight-line method over thirty (30) years, with \$8,000 salvage value. The Building was purchased in 1986 and is depreciated at \$642 per year. The accumulated depreciation is composed of the following amounts:

NORTHEAST LOUISIANA SICKLE CELL
 ANEMIA TECHNICAL RESOURCE
 FOUNDATION, INCORPORATED
 Monroe, Louisiana
 Notes to the Financial Statements (Continued)
 Page 5

AMOUNTS

\$ 5,780	Building-Prior 8 years @ \$642
642	Building-Current years @ \$642
19,194	Equipment-Prior year Equipment
5,034	Equipment-Current year Equipment
934	Prior Year overstatement of Acc. Dep.

\$ 29,715	TOTAL
=====	

All Equipment is deducted in full as Internal Revenue Service Code Section 179 deduction in the year of purchase.

9. COMPENSATED ABSENCES

Compensated absences are absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. The Organization has no established policy for compensated absences. Therefore, those costs are not reflected in this report. However, for the purpose of this report the amounts are considered immaterial.

10. SUBSEQUENT EVENTS

In March, 1996, First National Bank donated a building with a market value of \$ 75,000 to the Organization.

11. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Agency's financial instruments, not held for trading, consisted of Certificates of Deposits at December 31, 1995. The agency estimates that the fair value of the financial instrument at December 31, 1995 does not differ materially from the aggregate carrying value recorded in the accompanying balance sheet.

- Accounting Services
- Tax Services

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

To the Board of Directors of
NORTHEAST LOUISIANA SICKLE CELL ANEMIA
TECHNICAL RESOURCE FOUNDATION, INCORPORATED
Monroe, Louisiana

I have audited the financial statements of NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED (a nonprofit organization) as of and for the year ended December 31, 1995, and have issued my report thereon dated June 17, 1996.

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 NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED (a nonprofit organization) 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 NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED for the year ended December 31, 1995, I obtained an understanding of the internal control structure. With respect to the

INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL STRUCTURE
BASED ON THE AUDIT OF BASIC
FINANCIAL STATEMENTS PERFORMED
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AUDITING STANDARDS
PAGE 2

internal control structure, 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 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.

I noted certain 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 record, process, summarize, and report financial data in a manner that is consistent with the assertions of management in the financial statements.

The reportable conditions noted are as follows:

1. FINDING:

PROPERTY INVENTORY RECORDS

The ORGANIZATION did not maintain adequate property inventory records. Records that were provided did not include all property items and were not properly tagged as to source of funding and location.

RECOMMENDATION:

The ORGANIZATION should update its property inventory records to include all property inventory and tag all property to identify by location and source of funding.

MANAGEMENT'S RESPONSE:

The ORGANIZATION will comply with the recommendation by preparing computerized inventory property list within the next accounting period.

INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL STRUCTURE
BASED ON AN AUDIT OF BASIC
FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS
PAGE 3

2. FINDING:

SEGREGATION OF DUTIES

The ORGANIZATION'S Treasurer, who is also a board member, is custodian of blank checks, makes deposits in bank, opens bank statements, maintains company books, and counter-signs checks. These procedures are not adequate for a proper system of internal control.

RECOMMENDATION:

The ORGANIZATION should separate duties and responsibilities, so that the Treasurer and other individuals can divide the responsibilities of custodianship of assets, authorization and execution of transactions and record keeping.

MANAGEMENT'S RESPONSE:

The above duties will be properly separated to comply with the auditor's recommendation.

3. FINDING:

INADEQUATE ACCOUNTING SYSTEM

The ORGANIZATION maintains a system of recordkeeping that record receipts and disbursements. General ledgers were not maintained. No year end financial statements and related footnotes were prepared. As a result, the accounting process did not comply with generally accepted accounting principles. Also, payroll deposits were not made in a timely manner. As a result, penalty and interest were assessed. The financial statements were compiled as part of the audit process from information provided by management.

RECOMMENDATION:

The ORGANIZATION should hire an experienced Accountant and make the required payroll deposits in a timely manner.

MANAGEMENT'S RESPONSE:

The ORGANIZATION will obtain an experienced Accountant to maintain the accounting records.

INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL STRUCTURE
BASED ON THE AUDIT OF BASIC
FINANCIAL STATEMENTS PERFORMED
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AUDITING STANDARDS
PAGE 4

4. FINDING:

IMPROPER DOCUMENTATION

- a. Travel expense costs are not properly documented. The travel reports does not properly indicate odometer readings, purpose of travel, time of departure and arrival, and destination.
- b. Property Inventory records are not properly kept. The record does not indicate the source of fund that purchased the property, serial number (if applicable), and location of property.

RECOMMENDATION:

- a. All travel should be properly documented to include odometer reading, dates, destination, and purpose of travel.
- b. Property Inventory records should be properly kept to reflect the source of funds that purchased the property, serial number (if applicable), and location of property.

MANAGEMENT'S RESPONSE:

- a. Proper documentation will be maintained in the future.
- b. Proper Inventory records will be kept in the future.

5. FINDING

AUDIT SERVICES

Louisiana Revised Statute 24:513 requires that quasi-public and other non-profit organizations that receive State or Federal assistance obtain audit services and submit an audit report within six (6) months from the end of the fiscal year. The Organization completed their audit on June 17, 1996 within the six (6) months period but did not submit the reports until after the six (6) months.

RECOMMENDATION:

All reports should be completed and submitted to the Legislative Auditor's Office within the six (6) months period.

INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL STRUCTURE
BASED ON THE AUDIT OF BASIC
FINANCIAL STATEMENTS PERFORMED
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AUDITING STANDARDS
PAGE 5

MANAGEMENT'S RESPONSE:

All reports will be submitted within the due dates in the future.

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 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.

My consideration of the internal control structure 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 weakness as defined above. However, I believe the reportable condition described above is not a material weakness.

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



LOUIS R. BRADLEY
CERTIFIED PUBLIC ACCOUNTANT
Monroe, Louisiana
June 17, 1996

• Accounting Services
• Tax Services

LOUIS R. BRADLEY
CERTIFIED PUBLIC ACCOUNTANT
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON
AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
NORTHEAST LOUISIANA SICKLE CELL ANEMIA
TECHNICAL RESOURCE FOUNDATION, INCORPORATED
Monroe, Louisiana

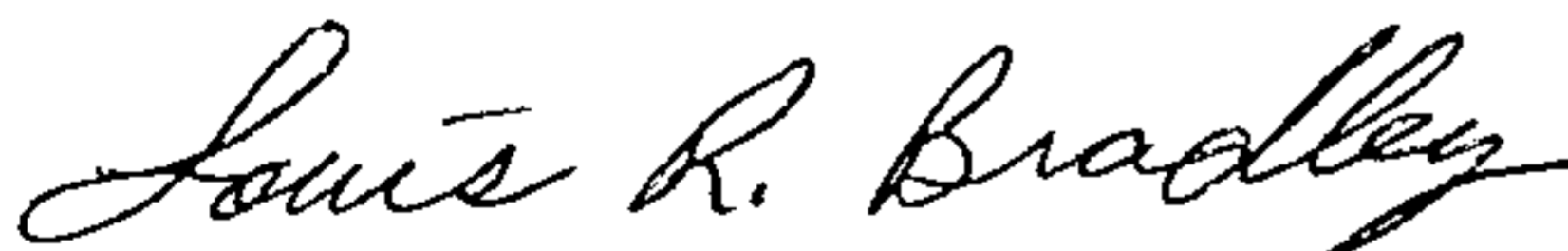
I have audited the financial statements of NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED (a nonprofit organization) as of and for the year ended December 31, 1995, and have issued my report thereon dated June 17, 1996.

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.

Compliance with laws, regulations, contracts, and grants applicable to NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED is the responsibility of NORTHEAST LOUISIANA SICKLE CELL ANEMIA TECHNICAL RESOURCE FOUNDATION, INCORPORATED'S management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the ORGANIZATION'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 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 of Directors, Management, and Legislative Auditor's Office. However, this report is a matter of public record, and its distribution is not limited.



LOUIS R. BRADLEY
CERTIFIED PUBLIC ACCOUNTANT

Monroe, Louisiana
June 17, 1996

SUPPLEMENTAL INFORMATION

NORTHEAST LOUISIANA SICKLE CELL ANEMIA
TECHNICAL RESOURCE FOUNDATION, INCORPORATED
Monroe, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULE

As of and for the Year ended December 31, 1995

SPECIAL REVENUE FUNDS

GENETIC DISEASE PROGRAM - STATE GRANT:

The Genetic Disease Program Fund accounts for the administration of funds provided by the State of Louisiana, Department of Health and Human Services. Revenues are used to assist the office staff in tracking patients with suspected screening results, Sickle Cell trait counseling, and participation in the office's monitoring of trait counseling.

UNITED WAY:

The United Way Fund is used to provide secondary human services i.e., counseling and employee training. Funds for this program are provided by the United Way Agency of Northeast Louisiana, which is based in Monroe, Louisiana.

NORTHEAST LOUISIANA SICKLE CELL ANEMIA
TECHNICAL RESOURCE FOUNDATION, INCORPORATED
Monroe, Louisiana

Status of Prior Year Findings

For the Fiscal Year Ended December 31, 1995

During the course of my examination, I performed certain tests and reviewed documents to determine if the findings and recommendations from the prior period audit had been resolved. The following findings were either cleared or not cleared.

1. The ORGANIZATION'S Treasurer, who is also a board member, is custodian of blank checks, makes deposits in bank, opens bank statements, maintains company books, and counter-signs checks. These procedures are not adequate for a proper system of internal control. This finding was restated from prior year audit report. NOT CLEARED
2. The ORGANIZATION maintains a system of recordkeeping that record receipts and disbursements, but general ledger, annual financial statements, and related notes are not prepared. As a result, the accounting process did not comply with generally accepted accounting principles. Also, payroll deposits were not made in a timely manner. As a result, penalty and interest were assessed. The financial statements were compiled as part of the audit process from information provided by management. This finding was restated from the prior year audit report. NOT CLEARED
3. Travel expense costs are not properly documented. The Travel reports does not properly indicate odometer readings, purpose of travel, time of departure and arrival, and destination. Also, property inventory records are not properly kept. The records does not indicate the source of fund that purchased the property, serial number (if applicable), and location of property. NOT CLEARED