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**DULAC COMMUNITY CENTER**

**DULAC, LOUISIANA**

**FINANCIAL STATEMENTS**

**AND**

**AUDITORS' REPORTS**

**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 8-7-96

DULAC COMMUNITY CENTER  
DULAC, LOUISIANA

FINANCIAL STATEMENTS AND AUDITORS' REPORTS  
FOR THE YEAR ENDED DECEMBER 31, 1995

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PAUL DAUZAT, CPA  
WILLIAM T. BEALL, CPA  
BILLY C. DEBEVEC, CPA

WILLIAM E. HUGHES, JR., CIA, CPA



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SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## DAUZAT, BEALL & DEBEVEC

CERTIFIED PUBLIC ACCOUNTANTS

### INDEPENDENT AUDITORS' REPORT


To the Board of Directors of  
Dulac Community Center

We have audited the accompanying balance sheet of Dulac Community Center (a nonprofit organization) as of December 31, 1995, and the related statements of activity and changes in fund balance and statement of functional expenses for the year then ended. These financial statements are the responsibility of the Organization'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, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions". 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 financial statements referred to above present fairly, in all material respects, the financial position of the Dulac Community Center, as of December 31, 1995, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Dauszat, Beall and Debevec

  
Alexandria, Louisiana  
June 10, 1996

DULAC COMMUNITY CENTER, INC.  
Dulac, Louisiana

BALANCE SHEET  
DECEMBER 31, 1995

	CURRENT FUNDS			TOTAL ALL FUNDS
	UNRESTRICTED GENERAL FUND	RESTRICTED CHILD ADVOCACY FUND	EQUIPMENT FUND	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 24,556			\$ 24,556
Due from other funds	833*			*
Due from Louisiana Department of Social Services		\$ 833		833
Property and equipment Net of accumulated depreciation			\$ 4,341	4,341
<b>Total Assets</b>	<u>\$ 25,389</u>	<u>\$ 833</u>	<u>\$ 4,341</u>	<u>\$ 29,730</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Payroll taxes	\$ 871			\$ 871
Accounts payable	1,048			1,048
Due to general fund		\$ 833*		*
<b>Total Liabilities</b>	1,919	833	0	1,919
<b>FUND BALANCES</b>				
Unrestricted fund	23,470			23,470
Restricted fund				
Equipment Fund			4,341	4,341
<b>Total liabilities and fund balance</b>	<u>\$ 25,389</u>	<u>\$ 833</u>	<u>\$ 4,341</u>	<u>\$ 29,730</u>

\* Interfund Borrowing Eliminated in Combination

See Accompanying Notes to Financial Statements.

DULAC COMMUNITY CENTER, INC.  
Dulac, Louisiana

STATEMENT OF ACTIVITY AND CHANGES IN FUND BALANCE  
For the Year Ended December 31, 1995

	CURRENT FUNDS			TOTAL ALL FUNDS
	UNRESTRICTED GENERAL FUND	RESTRICTED CHILD ADVOCACY FUND	EQUIPMENT FUND	
<b>SUPPORT AND REVENUE</b>				
State grant		\$ 9,492		\$ 9,492
Direct public support	\$ 81,701			81,701
Indirect public support	10,750			10,750
Interest revenue	276			276
Total support and revenue	<u>92,727</u>	<u>9,492</u>	<u>0</u>	<u>102,219</u>
<b>EXPENSES</b>				
Program services	49,489	9,492		58,981
Support services	23,914		\$ 466	24,380
Total expenses	<u>73,403</u>	<u>9,492</u>	<u>466</u>	<u>83,361</u>
<b>EXCESS (DEFICIENCY) OF SUPPORT AND REVENUE OVER EXPENSES</b>	19,324	0	(466)	
<b>FUND BALANCES, BEGINNING OF PERIOD</b>	6,829	0	2,976	9,805
Property acquired and transferred	(3,321)		3,321	
Prior period adjustment	638		(1,490)	(852)
<b>FUND BALANCES, END OF PERIOD</b>	<u>\$ 23,470</u>	<u>\$ 0</u>	<u>\$ 4,341</u>	<u>\$ 27,811</u>

See Accompanying Notes to Financial Statements.

DULAC COMMUNITY CENTER  
Dulac, Louisiana

COMBINED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 1995

	<u>TOTAL PROGRAM SERVICES</u>	<u>TOTAL SUPPORTING SERVICES</u>	<u>TOTAL</u>
Salaries and labor	\$ 13,749	\$ 8,160	\$ 21,909
Employee benefits	994	497	1,491
Payroll taxes	884	613	1,497
Legal & professional	6,405	6,401	12,806
Supplies	9,969	4,000	13,969
Telephone	1,584	1,057	2,641
Postage & shipping	390	260	650
Occupancy	7,756	1,939	9,695
Equipment rental and maintenance	3,654	914	4,568
Printing	1,118		1,118
Travel	1,272		1,272
Conference	2,046		2,046
Bank charges	73	73	146
Depreciation		466	466
Payground toys	4,995		4,995
Groceries & food	<u>4,092</u>		<u>4,092</u>
 TOTAL EXPENSES	 <u>\$ 58,981</u>	 <u>\$ 24,380</u>	 <u>\$ 83,361</u>

See accompanying notes to financial statements.



DULAC COMMUNITY CENTER  
DULAC, LOUISIANA

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1995

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) NATURE OF ACTIVITIES

The Dulac Community Center (the Center) was incorporated on July 1, 1970, as a project of the National Division of the Board of Missions of the United Methodist Church. The purpose of the corporation is to provide social welfare services to the people of the Dulac-Grand Caillou community, and others who may need its services. The Center works with the people of the community for the enrichment of their lives through Christian principles, the development of domestic leadership, the promotion of education, and for strengthened family and community life.

In an IRS letter ruling dated October 21, 1974, the Center was named as an affiliate of the United Methodist Church and determined to be exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It has been classified as an organization that is not a private foundation under Section 509(a)(2) of the Internal Revenue Code.

(B) REPORTING ENTITY

The accompanying financial statements present the financial position and results of operations of Dulac Community Center located in Dulac, Louisiana. All activities of the Center are included in these financial statements.

(C) FUND ACCOUNTING

The various funds are grouped in the financial statements into three (3) categories as follows:

UNRESTRICTED

Accounts for resources that can be expended currently for general purposes of the Center.



DULAC COMMUNITY CENTER  
DULAC, LOUISIANA

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1995

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(C) FUND ACCOUNTING

RESTRICTED

Accounts for the restricted resources that were received under a state grant from Louisiana.

PROPERTY AND EQUIPMENT

Accounts for the purchase of equipment with useful lives greater than one (1) year and the related depreciation expense charged off.

The Center's financial statements are prepared on the accrual basis in accordance with the recommendations of the American Institute of Certified Public Accountants in its industry audit guide, Audits of Voluntary Health and Welfare Organizations.

(D) PROPERTY AND EQUIPMENT

Equipment purchased or donated prior to January 1, 1988, is stated at an estimated value. Additions subsequent to December 31, 1987, are stated at cost.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Furniture and equipment 7 years

(E) COMPENSATED ABSENCES

Employees earn five to ten vacation days per year depending on length of service. Unused vacation days do not carryover past the employee's anniversary date. Sick time is paid at the discretion of the Board of Directors. Accordingly, the financial statements do not contain a liability for unused vacation and sick pay.

DULAC COMMUNITY CENTER  
DULAC, LOUISIANA

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1995

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(F) DONATED SERVICES

Donated services have not been reflected in the accompanying financial statements since no objective basis is available to measure the value of such services. Nevertheless, a substantial number of volunteers have donated significant amounts of their time in the Center's program and support services.

(G) TOTAL COLUMNS

Total columns on the financial statements are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

NOTE 2 CASH AND CASH EQUIVALENTS

The cash and cash equivalents of the organization consist of one demand deposit account which is insured by the FDIC to \$100,000.

NOTE 3 CONTINGENCIES

The Center evaluates contingencies based upon the best available evidence. The Center believes that no allowance for loss contingencies is considered necessary. The ability of the Center's continued operations is contingent upon continued funding from the National Division of the Board of Missions of the United Methodist Church and the Louisiana State Department of Social Services.

Amounts received from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Louisiana Department of Social Services. Any disallowed

SUPPLEMENTARY INFORMATION

PAUL DAUZAT, CPA  
WILLIAM T. BEALL, CPA  
BILLY C. DEBEVEC, CPA



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## DAUZAT, BEALL & DEBEVEC

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Directors  
Dulac Community Center, Inc.  
Dulac, Louisiana

We have audited the financial statements of the Dulac Community Center, Inc. as of and for the year ended December 31, 1995, and have issued our report thereon dated June 10, 1996.

We conducted our 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, "Audits of Institutions of Higher Education and Other Non-Profit Institutions." Those 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 Dulac Community Center, Inc. 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 our audit of the financial statements of Dulac Community Center, Inc., for the year ended December 31, 1995, 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 financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

The following management suggestions made for the year ended December 31, 1994, have been implemented: a) the accounting transactions are now being recorded in a general ledger system, b) the disbursements now have supporting documentation, c) the organization now has internal control policies and procedures relating to the accounting system

However, we noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

The reportable conditions are as follows:

1. Statement of Condition: We noted that checks were made payable to cash instead of the payee.

Recommendation: All checks should be made payable to the payee and not cash.

2. Statement of Condition: The Form 990 for the year ended December 31, 1995, was not properly prepared by Dulac Community Center.

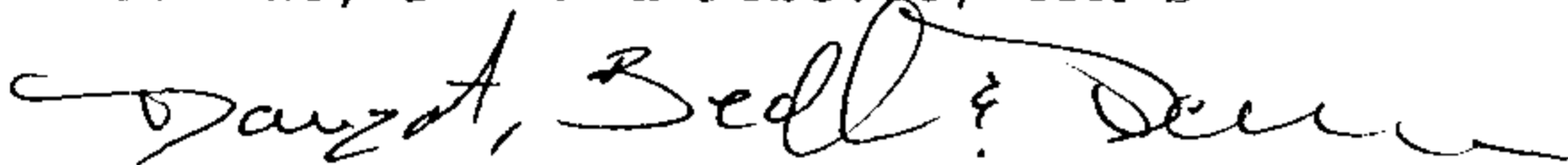
Recommendation: We recommend the organization have the audit firm prepare the 990 after the completion of the audit.

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.

Our 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 weaknesses as defined above. However, we believe none of the reportable conditions described above is a material weakness.

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

Dauzat, Beall & Debevec, CPA's

A handwritten signature in cursive script, appearing to read "Dauzat, Beall & Debevec".

Certified Public Accountants  
June 10, 1996

PAUL DAUZAT, CPA  
WILLIAM T. BEALL, CPA  
BILLY C. DEBEVEC, CPA



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## DAUZAT, BEALL & DEBEVEC

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
LAWS, REGULATIONS, CONTRACTS AND GRANTS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

To the Board of Directors of  
Dulac Community Center, Inc.  
Dulac, Louisiana

We have audited the financial statements of the Dulac Community Center, Inc. (a nonprofit organization) as of and for the year ended December 31, 1995, and have issued our report thereon dated June 10, 1996.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards and in accordance with OMB Circular A-133, 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, regulations, contracts, and grants applicable to the Dulac Community Center, Inc. is the responsibility of the Dulac Community Center, Inc.'s management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Dulac Community Center, Inc. compliance with certain provisions of laws, regulations, contracts, and grants. 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 result of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

However, we noted the following immaterial instances of non-compliance:

Statement of Condition: The Form 990 for the year ended December 31, 1995, was not properly prepared.

Recommendation: We recommend the organization have the audit firm prepare the 990 after the completion of the audit.

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

Dauzat, Beall and Debevec



Alexandria, Louisiana

June 10, 1996





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CERTIFIED PUBLIC ACCOUNTANTS

### INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF FEDERAL AND STATE AWARDS

To the Board of Directors of  
Dulac Community Center, Inc.

We have audited the financial statements of the Dulac Community Center, Inc. (a nonprofit organization) for the fiscal year ended December 31, 1995, and have issued our report thereon dated June 10, 1996. These financial statements are the responsibility of the Organization'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, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions." Those standards and OMB Circular A-133 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.

Our audit was made for the purpose of forming an opinion on the basic financial statements of the Dulac Community Center, Inc. taken as a whole. The accompanying schedule of federal and state 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 our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Dautzat, Beall and Debevec

*Dautzat, Beall & Debevec*  
Alexandria, Louisiana

June 10, 1996

DULAC COMMUNITY CENTER, INC.  
Dulac, Louisiana

SCHEDULE OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 1995

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME</u>	<u>FEDERAL CFDA NUMBER</u>	<u>YEAR ENDED DECEMBER 31, 1995 DISBURSEMENTS/ EXPENDITURES</u>
FEDERAL AWARDS		NONE
OTHER STATE AWARDS LA. DEPARTMENT OF SOCIAL SERVICES	N/A	<u>\$ 9,492</u>
Total		<u>\$ 9,492</u>