

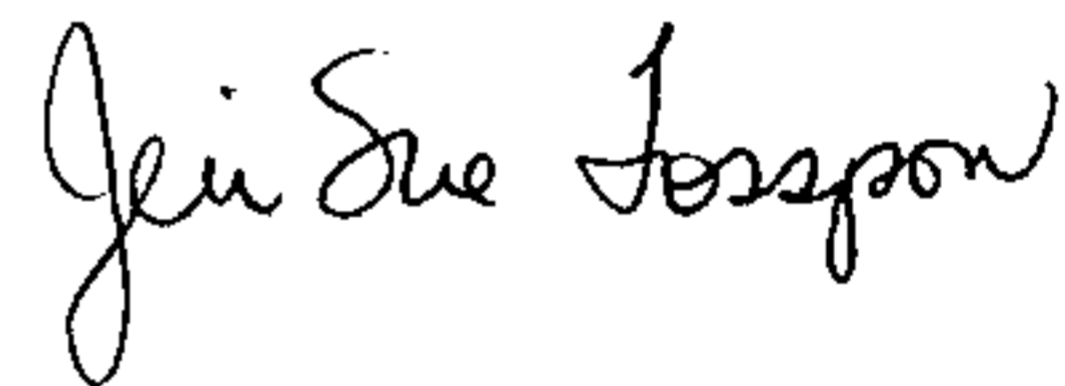
LADD
Internal Control Report
Year ended June 30, 1996

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.

For all the control structures identified, 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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation 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. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

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



Ferriday, Louisiana
September 17, 1996

JERI SUE TOSSPON

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

To the Board of Directors and Management
LaSalle Association for the Developmentally Delayed, Inc.

I have audited the financial statements of LaSalle Association for the Developmentally Delayed, Inc. (LADD) as of and for the year ended June 30, 1996, and have issued my report thereon dated September 17, 1996.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing my audit for the year ended June 30, 1996, I considered the internal control structure of LADD in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements of LADD and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal award programs. I have addressed internal control structure policies and procedures relevant to my audit of the financial statements in a separate report dated September 17, 1996.

The management of LADD is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and

recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal award programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

GENERAL REQUIREMENTS

Political activity
Civil rights
Cash management
Federal financial reports
Allowable costs
Drug-free Workplace Act
Administrative Requirements

SPECIFIC REQUIREMENTS

Matching
Financial reports

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

During the year ended June 30, 1996, LADD had no major federal award programs and expended 100% percent of its total federal awards under the following nonmajor programs:

UMTA Public Transportation Capital Assistance Program
Rehabilitation Services - On-site Intensive Training Program

I performed tests of controls, as required by OMB Circular A-133, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for

SECTION III

REPORTS ON COMPLIANCE WITH LAWS AND REGULATIONS

LaSalle Association for the Developmentally Delayed, Inc.
Page 2

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of supplemental information and the Schedule of Federal Awards are presented for purposes of additional analysis and are not required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Jeri Sue Josspon

Ferriday, Louisiana
September 17, 1996

JERI SUE TOSSPON

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

To the Board of Directors of
LaSalle Association for the Developmentally Delayed, Inc.

I have audited the financial statements of LaSalle Association for the Developmentally Delayed, Inc., (LADD) (a non-profit organization) as of and for the year ended June 30, 1996, and have issued my report thereon dated September 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 LADD is the responsibility of LADD's management. As a part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of LADD's compliance with certain provisions of laws, regulations, contracts and grants, in particular the contract between the Association and the State of Louisiana, Department of Health and Hospitals, Region VI Community Services, Pinecrest State School. However, my objective was not to provide an opinion on overall compliance with such programs.

The results of my tests indicate that, with respect to the items tested, LADD complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that LADD had not complied, in all material respects, with those provisions.

This report is intended for the information of the Board of Directors and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Jeri Sue Tosspon

Ferriday, Louisiana
September 17, 1996

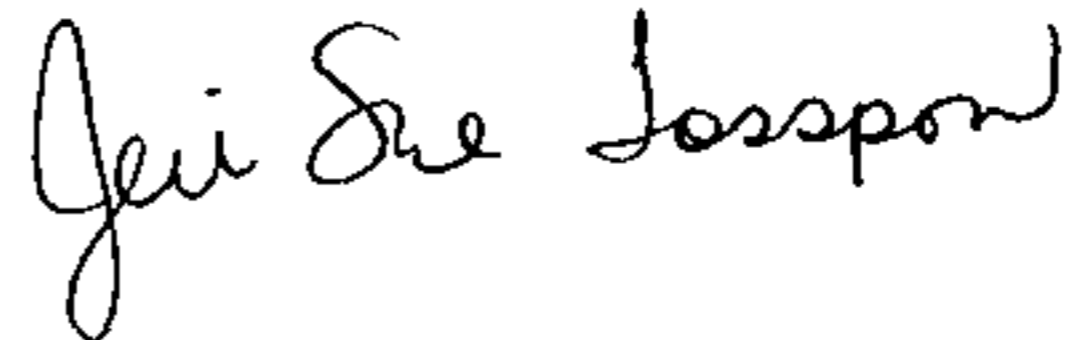
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LaSalle Association for the Developmentally Delayed, Inc.
Page Three

matching that are applicable to the aforementioned nonmajor programs. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

My consideration of the internal control structure policies and procedures used in administering federal awards would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal award program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operations that I consider to be material weaknesses as defined above.

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



Ferriday, Louisiana
September 17, 1996

JERI SUE TOSSPON

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE AND RELATED MATTERS NOTED IN A FINANCIAL STATEMENT AUDIT CONDUCTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
LaSalle Association of the Developmentally Delayed, Inc.

I have audited the financial statements of LaSalle Association for the Developmentally Delayed, Inc., (LADD) (a non-profit organization) for the year ended June 30, 1996, and have issued my report thereon dated September 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.

In planning and performing my audit of the financial statements of LADD for the year ended June 30, 1996, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

The management of LADD 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

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LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
Jena, Louisiana

Financial Statements and Auditor's Reports

June 30, 1996
and for the Year Then Ended

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 DEC 18 1996

JERI SUE TOSSPON
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The Board of Directors and Management
LaSalle Association for the Developmentally Delayed, Inc.
Jena, Louisiana

I have audited the financial statements of LaSalle Association for the Developmentally Delayed, Inc., (LADD) for the year ended June 30, 1996 and have issued my reports dated September 17, 1996. As a part of my examination, I made a study and evaluation of the Association's system of internal accounting control to the extent I considered necessary to evaluate the system as required by generally accepted auditing standards. Under these standards, the purposes of such evaluation are to establish a basis for reliance on the system of internal accounting control in determining the nature, timing, and extent of other auditing procedures that are necessary for expressing an opinion on the financial statements and to assist the auditor in planning and performing his examination of the financial statements. My study was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

The management of LADD is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and costs of control procedures. The objectives of a system 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 system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

The Board of Directors and Management
LaSalle Association for the Developmentally Delayed, Inc.
September 17, 1996

My study and evaluation made for the limited purposes described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, I do not express an opinion on the system of internal accounting control of LADD taken in as a whole. However, my study and evaluation disclosed no condition that I believed to be a material weakness.

My comments on specific financial and accounting matters and recommendations developed during my examination which do not represent material weaknesses, are detailed below.

PAYROLL

During my test of cash disbursements, I noted that some personnel who would be classified as employees were being paid as contract labor. This has been discussed with Management and changes have already been implemented.

This report is intended for the use of LADD's management and others within the organization.

I thank all the personnel of the Association for their cooperation during my examination.

Jui Sue Josspon

Ferriday, Louisiana
September 17, 1996

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
Jena, Louisiana

Financial Statements and Auditor's Reports

June 30, 1996
and for the Year Then Ended

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
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LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
 STATEMENT OF ACTIVITY AND FUND BALANCES
 YEAR ENDED JUNE 30, 1996
 (With Comparative Totals for the Year Ended June 30, 1995)

	General Fund	Work Project Fund	LADD Industries	June 30, 1996 Total	June 30, 1995 Total
SUPPORT					
State Contracts (Note 5)	\$176,523			\$176,523	\$177,862
Contributions and memberships	8,962		\$ 1,000	9,962	5,824
UMTA Grants	49,983			49,983	
Total Support	<u>\$235,468</u>		<u>\$ 1,000</u>	<u>\$236,468</u>	<u>\$183,686</u>
REVENUE					
Work project activities (Note 5)		\$41,559		\$ 41,559	\$ 43,340
Sales-LADD Industries		1,035	\$34,566	34,566	40,354
Interest	<u>\$ 1,111</u>	<u>\$42,594</u>	<u>823</u>	<u>2,969</u>	<u>3,328</u>
Total Revenue			<u>\$35,389</u>	<u>\$ 79,094</u>	<u>\$ 87,022</u>
Total Support and Revenue	<u>\$236,579</u>	<u>\$42,594</u>	<u>\$36,389</u>	<u>\$315,562</u>	<u>\$270,708</u>
COST OF GOODS SOLD (Note 6)					
			<u>\$20,676</u>	<u>\$ 20,676</u>	<u>\$ 39,583</u>
EXPENDITURES (Note 7)					
Salaries and client wages	\$104,013	\$21,301	\$ 3,396	\$128,710	\$135,812
Transportation	10,799			10,799	12,238
Rent	14,400			14,400	14,400
Insurance	8,993	1,191	997	11,181	10,136
Payroll taxes	9,772	1,616		11,388	11,905
Utilities	5,685		1,154	6,839	5,546
Training	72			72	592
Office and postage	4,271		94	4,365	4,511
Depreciation	4,100		2,467	6,567	5,056
Maintenance, repair and cleaning	5,162			5,162	5,279
Hospitalization	5,103			5,103	3,861
Equipment and supplies	317	179		496	2,002
Telephone	1,186	3		1,189	1,156
Travel	1,724			1,724	1,609
Interest	953			4,577	3,818
Food		2,104	3,624	2,104	1,515
Other - OMR reimbursible	2,599			2,599	3,511
Other - Non-OMR reimbursible	<u>9,667</u>	<u>2,850</u>	<u>3,554</u>	<u>16,071</u>	<u>9,023</u>
Total Expenditures	<u>\$188,816</u>	<u>\$29,244</u>	<u>\$15,286</u>	<u>\$233,346</u>	<u>\$231,970</u>
Excess (Deficit) of Support and Revenue over Expenditures	\$ 47,763	\$13,350	\$ 427	\$ 61,540	(\$ 845)
Transfer In (Out)	2,200	(2,200)			
Net Assets, Beginning of Year	<u>54,539</u>	<u>42,979</u>	<u>(11,625)</u>	<u>85,893</u>	<u>86,738</u>
Net Assets, End of Year	<u>\$104,502</u>	<u>\$54,129</u>	<u>(\$11,198)</u>	<u>\$147,433</u>	<u>\$ 85,893</u>

See accompanying notes to financial statements.

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INDEPENDENT AUDITOR'S COMBINED REPORT ON THE BASIC FINANCIAL STATEMENTS AND THE SCHEDULE OF FEDERAL AWARDS

To the Board of Directors
LaSalle Association for the Developmentally Delayed, Inc.

I have audited the accompanying statement of financial position of LaSalle Association for the Developmentally Delayed, Inc. (LADD), (a non-profit organization) as of June 30, 1996, and the related statements of activities and changes in net assets, and cash flow for the year then ended. These financial statements are the responsibility of the Association's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of LADD as of June 30, 1996, and the results of its operations and the changes in financial position for the year then ended in conformity with generally accepted accounting principles.

SECTION II
REPORTS ON INTERNAL CONTROL

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
 STATEMENT OF FINANCIAL POSITION
 JUNE 30, 1996
 (With Comparative Totals For The Year Ended June 30, 1995)

ASSETS	General Fund	Work Project Fund	LADD Industries	1996 Total	June 30, 1995 Total
Cash on hand and in banks	\$ 31,714	\$ 30,037	\$ 33,599	\$ 95,350	\$ 77,375
Cash in savings and certificates of deposit	10,708	24,434		35,142	38,552
Accounts receivable - OCDD	11,130			11,130	11,609
Medicaid	1,260			1,260	2,558
Vocational Rehabilitation Group Home	2,637			2,637	
Sales	642			642	965
Inventory			916	916	24,073
Fixed assets (Note 3)	64,715		13,706	13,706	60,334
Total Assets	<u>\$122,806</u>	<u>\$54,471</u>	<u>\$104,245</u>	<u>\$281,522</u>	<u>\$215,466</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Payroll taxes payable	\$ 3,340	\$ 342		\$ 3,682	\$ 3,798
Notes payable (Note 4)	<u>14,964</u>		<u>\$115,443</u>	<u>130,407</u>	<u>125,775</u>
Total Liabilities	<u>\$18,304</u>	<u>\$ 342</u>	<u>\$115,443</u>	<u>\$134,089</u>	<u>\$129,573</u>
Net Assets Unrestricted	<u>\$104,502</u>	<u>\$54,129</u>	<u>(\$ 11,198)</u>	<u>\$147,433</u>	<u>\$ 85,893</u>
Total Liabilities, Fund Balances and Donated Equity	<u>\$122,806</u>	<u>\$54,471</u>	<u>\$104,245</u>	<u>\$281,522</u>	<u>\$215,466</u>

See accompanying notes to financial statements.

JERI SUE TOSSPON

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

To the Board of Directors and Management
LaSalle Association for the Developmentally Delayed, Inc.

I have audited the financial statements of LaSalle Association for the Developmentally Delayed, Inc. (LADD) (a nonprofit organization) as of and for the year ended June 30, 1996, and issued my report thereon dated September 17, 1996.

I have applied procedures to test the compliance of LADD with the following requirements applicable to its federal award programs, which are identified in the accompanying Schedule of Federal Awards, for the year ended June 30, 1996:

GENERAL REQUIREMENTS

- Political activity
- Civil rights
- Cash management
- Federal financial reports
- Allowable cost
- Drug-free Workplace Act
- Administrative requirements

My procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Audits of Institutions of Higher Learning and Other Non-Profit Institutions". My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on LADD's compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of my procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that LADD had not complied, in all material respects, with those requirements.

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
STATEMENT OF CASH FLOWS
TOTAL - ALL FUNDS
YEAR ENDED JUNE 30, 1996
(With Comparative Totals for the Year Ended June 30, 1995)

	June 30,	
	1996	1995
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 60,540	(\$ 845)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	(15,548)	5,056
(Increase) decrease in:		
Accounts receivable	(1,453)	11,432
Inventory	10,367	13,294
Increase (decrease) in:		
Accounts payable		(1,500)
Accrued payroll tax	(116)	3,119
<u>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>	<u>\$ 53,790</u>	<u>\$ 30,556</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(\$ 44,857)	(\$ 3,080)
Contributed equipment	<u>1,000</u>	<u> </u>
<u>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</u>	<u>(\$ 43,857)</u>	<u>(\$ 3,080)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings	\$ 16,413	
Reduction of debt	(11,781)	(\$ 10,139)
<u>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</u>	<u>(\$ 4,632)</u>	<u>(\$ 10,139)</u>
NET INCREASE (DECREASE) IN CASH	\$ 14,565	\$ 17,337
CASH AT BEGINNING OF YEAR	<u>115,927</u>	<u>98,590</u>
CASH AT END OF YEAR	<u>\$130,492</u>	<u>\$115,927</u>
SUPPLEMENTAL DISCLOSURES		
Interest paid	<u>\$ 4,577</u>	<u>\$ 3,818</u>

See accompanying notes to financial statements.

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1996 and 1995

NOTE 1 - LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED

LaSalle Association for the Developmentally Delayed, Inc., (LADD) was organized in 1976 to promote the general welfare of retarded citizens wherever they may be, and, specifically, to provide as normal a work and learning atmosphere in the least restrictive environment for retarded adults in LaSalle Parish. The Association receives funding from the State of Louisiana, Office for Citizens with Developmental Disabilities (OCDD), the Louisiana Medicaid Program, Group Home Program, On-site Intensive Training Program, performs services under its Work Project program, and receives funds for other activities from memberships and contributions. In 1991, the Association began operations of LADD Industries, to provide further supported employment opportunities for its clients.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to LADD, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund and, accordingly, all financial transactions have been recorded and reported in the following fund groups:

General Fund - Resources are provided under several contracts from the State of Louisiana, based on the days of service provided, and by other sources such as interest, contributions, and membership dues.

Expenditures are of a nature of those specified by the State in Guidelines for Allowable Costs from the Office for Citizens with Developmental Disabilities (OCDD), except as noted hereafter.

Work Project Fund and LADD Industries Fund - Resources are provided as fees for services performed by the clients and interest and are used to pay wages to the clients and other costs as needed for these services, including the purchase of the LADD Industries building.

B. Income Tax Status

The Association qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for income taxes.

NOTE 3 - FIXED ASSETS AND DEPRECIATION

During the current fiscal year, LADD received three vans through the Urban Mass Transit Act grant, Section 16(b)(2) program, through the Louisiana Department of Transportation (DOTD). The Association has capitalized their 30% matching portion of the vans in addition to the 70% in in-kind grant funds received. The DOTD holds a reversionary interest in the vans. Fixed assets consist of these vans, and other smaller items. Ownership of all fixed assets of the Association would revert to the Department of Health and Hospitals, Office for Citizens with Developmental Disabilities (OCDD), if the Association were to cease to function. Depreciation is provided on a straight-line basis over various lives.

There are also fixed assets owned by LADD Industries in the amount of \$64,766 in 1996 and \$61,566 in 1996 including the LADD Industries building and real estate in the amount of \$54,735. Depreciation is provided on the straight-line basis.

	Balance June 30, 1995	Additions	Retirements	Balance June 30, 1996
General Fund	\$33,478	\$71,404	\$29,797	\$ 75,085
Work Project Fund				
LADD Industries	61,516	3,250		64,766
	<u>\$94,994</u>	<u>\$74,654</u>	<u>\$29,797</u>	<u>\$139,851</u>
Less Accumulated Depreciation	34,660	12,861	28,409	19,112
	<u>\$60,334</u>	<u>\$61,793</u>	<u>\$ 1,388</u>	<u>\$120,739</u>

NOTE 4 - NOTES PAYABLE

Notes payable consist of the following:

General Fund - Southern Heritage Bank secured by certificates of deposit for 1995 van bearing interest at 6.850%, payments of \$172.00 per month \$ 7,290

General Fund - Southern Heritage Bank secured by certificates of deposit for 1996 van bearing interest at 6.850%, payments of \$170.00 per month 7,674

LADD Industries - Small Business Administration
 secured by mortgages on the LADD Industries
 building and inventories, bearing interest at
 3%, payments of \$1,163 per month 115,443
\$130,407

The future scheduled maturities of long-term debt
 are as follows:

Years ended June 30,	
1997	\$ 12,643
1998	14,317
1999	14,888
2000	15,484
2001	13,144
Thereafter	<u>59,931</u>
	<u>\$130,407</u>

NOTE 5 - SUPPORT AND REVENUE

Support in the general fund was as follows:

OCDD - Day Habilitation Program	\$145,882
Medicaid Title XIX Program	26,494
Vocational Rehabilitation	2,637
Group Home Clients	<u>1,510</u>
	<u>\$176,523</u>

LADD Industries has been involved in the assembly
 of U.S. Government Wash Kits (through the aid of
 the National Industries for the Severely Handicapped
 Organization), assembly of admission kits for sale
 to local hospitals, resale of clothing and other
 items and fabrication of crawfish nets for retail
 and wholesale sales.

SECTION I
FINANCIAL STATEMENTS
REPORT ON FINANCIAL STATEMENTS

NOTE 6 - COST OF GOODS SOLD

Cost of goods sold is made up of the following:

Beginning inventory	\$24,073
Add: Cost of production	
Labor	973
Materials	3,415
Freight	340
Other	319
Total goods available for sale	<u>\$29,120</u>
Less: Ending inventory	<u>13,706</u>
Cost of goods sold - manufactured items	<u>\$15,414</u>
Items bought for resale	<u>5,262</u>
Total cost of goods sold	<u><u>\$20,676</u></u>

NOTE 7 - EXPENDITURES

Expenditures in the general fund were made in accordance with the specifications listed by the Office for Citizens with Developmental Disabilities in their Guidelines for Allowable Costs Adult Day Services for Persons with Developmental Disabilities, except as follows:

Directors Fees	\$1,800
Applicable payroll taxes	169
Depreciation	6,294
Other (net)	<u>1,404</u>
	<u><u>\$9,667</u></u>

NOTE 8 - PENSION PLAN

The Association does not have a retirement plan for its employees.

NOTE 9 - LITIGATION

The Association is not involved in any litigation as of June 30, 1996.

SECTION IV
SUPPLEMENTAL INFORMATION

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
SCHEDULE OF DIRECTORS' COMPENSATION
YEAR ENDED JUNE 30, 1996

	<u>Annual Compensation</u>
Cleveland Riser, President	\$1,800.00

LaSALLE ASSOCIATION FOR THE DEVELOPMENTALLY, DELAYED, INC.
 SCHEDULE OF FEDERAL FINANCIAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 1996

<u>Federal Grantor\ Pass Through Grantor\ Program Title</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Disbursement\ Expenditure</u>
US DEPARTMENT OF TRANSPORTATION Public Transportation Capital Assistance Program	20.500	LA-16-0021 736-99-0126	\$19,506
US DEPARTMENT OF TRANSPORTATION Public Transportation Capital Assistance Program	20.500	LA-16-0023 736-99-0239	<u>30,477</u>
TOTAL US DEPARTMENT OF TRANSPORTATION			<u>\$49,983</u>
US DEPARTMENT OF EDUCATION Rehabilitation Services - On-site Intensive Training Program	84.126		<u>2,637</u>
Total Federal Assistance			<u>\$52,620</u>

LaSalle Association for the Developmentally Delayed, Inc.
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However, the results of my procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying Schedule of Findings and Questioned Costs.

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

Jeri Sue Josspon

Ferriday, Louisiana
September 17, 1996