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Louisiana Council on Child Abuse, Inc.  
Baton Rouge, Louisiana  
December 31, 1995

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditee, 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 7-28-96

Louisiana Council on Child Abuse, Inc.  
Baton Rouge, Louisiana

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May 13, 1996

**Independent Auditor's Report**

Board of Directors  
Louisiana Council on Child Abuse, Inc.  
Baton Rouge, Louisiana

Members of the Board:

We have audited the accompanying statement of financial position of the

**Louisiana Council on Child Abuse, Inc.**  
**Baton Rouge, Louisiana**

as of December 31, 1995 and December 31, 1994, and the related statements of activities, changes in net assets, cash flows and functional expenses for the years then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards as forth by the American Institute of Certified Public Accountants, Government Auditing Standards, issued by the Comptroller General of the United States and GMB Circular A-133 "Audits of Institutions of Higher Education and Other Nonprofit Organizations." 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 our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of the Louisiana Council on Child Abuse, Inc. as of December 31, 1995 and December 31, 1994, and the results of its activities and changes in cash flows for the years then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated May 23, 1996 on our consideration of the Louisiana Council on Council on Child Abuse, Inc.'s internal control structure and a report dated May 23, 1996 on its compliance with laws and regulations.

Yours truly,

*Hautman, Weymouth & Cavallaro, P.C.*

Louisiana Council on Child Abuse  
 Statement of Financial Position  
 December 31, 1993 and December 31, 1994

A s s e t s

	1993	1994
<b>Current Assets</b>		
Cash	\$33,149	\$34,687
Grants receivable	56,604	13,415
Prepaid insurance	<u>      79</u>	<u>1,506</u>
	\$90,247	\$50,158
<b>Fixed Assets</b>		
Equipment	43,280	43,125
Less accumulated depreciation	<u>33,419</u>	<u>29,897</u>
	11,861	13,228
<b>Total Assets</b>	<u>102,408</u>	<u>63,486</u>

L i a b i l i t i e s   a n d   N e t   A s s e t s

<b>Current Liabilities</b>		
Accounts payable	\$20,508	\$6,255
Accrued vacation	<u>6,517</u>	<u>4,180</u>
	\$27,025	\$10,435
<b>Net Assets</b>		
Unrestricted	34,822	37,853
Permanently restricted	<u>11,861</u>	<u>13,228</u>
<b>Total net assets</b>	\$46,683	\$51,081
<b>Total liabilities and net assets</b>	<u>102,408</u>	<u>63,486</u>

The accompanying notes are an integral part of these statements.

**Louisiana Council on Child Abuse**  
**Statement of Activities**  
**Years Ended December 31, 1993 and December 31, 1994**

	1993		1994	
	Unrestricted	Permanently Restricted	Unrestricted	Permanently Restricted
<b>Public Support and Revenue</b>				
Federal grants				
DHHS/OMDC	\$40,133		\$50,352	
Department of Justice/LCJE	62,963		68,146	
DCS/Harriette Andrew			34,678	
Office of Community Services	35,980		38,503	
OCS/CTF/Healthy Families America	11,729			
OCS/CTF/Pace Steps	3,370			
DHHS/Office of Public Health	41,097			
State grants				
OCS/CTF/Region Coordinator	32,744		38,172	
Organizations/foundations	3,971		14,861	
State conferences	68,834		55,735	
Special events	61,687		38,238	
Individual donations	42,034		28,229	
Corporate donations	48,891		34,805	
Foundation receipts	3,000			
Other income	<u>8,338</u>		<u>8,482</u>	
<b>Total public support and revenue</b>	<b>461,731</b>		<b>604,846</b>	
<b>Expenses</b>				
Program services				
Statewide Volunteer Network	74,850		88,569	
Parent Support & Childcare Programs	78,638		111,612	
Community Education & Training	92,219		74,725	
New Parents Prevention Programs	64,837		71,868	
Supporting services				
Administrative	88,816		48,328	
Fund raising	46,879		47,363	
Provision for depreciation		83,812		14,720
Loss on fixed assets parked				<u>452</u>
<b>Total expenses</b>	<b>444,782</b>	<b>3,522</b>	<b>602,363</b>	<b>2,182</b>
<b>Increase (decrease) in net assets</b>	<b><u>16,949</u></b>	<b><u>(3,522)</u></b>	<b><u>2,483</u></b>	<b><u>(2,182)</u></b>

The accompanying notes are an integral part of these statements.

Louisiana Council on Child Abuse, Inc.  
 Statement of Changes in Net Assets  
 Years Ended December 31, 1995 and December 31, 1994

	<u>1995</u>	<u>1994</u>
<b>Unrestricted</b>		
Unrestricted net assets		
Balance, January 1	\$77,853	\$78,078
Increase in unrestricted net assets	<u>18,968</u>	<u>(35,217)</u>
Balance, December 31	<u>96,821</u>	<u>42,861</u>
<b>Permanently Restricted</b>		
Balance, January 1	\$12,238	\$8,172
Purchase of equipment	3,185	9,318
Loss on fixed assets parked		<u>(442)</u>
	<u>15,423</u>	<u>16,048</u>
Depreciation	<u>(2,322)</u>	<u>(4,720)</u>
Balance, end of year	<u>13,101</u>	<u>11,328</u>

The accompanying notes are an integral part of these statements.

Louisiana Council on Child Abuse  
Statement of Cash Flows  
Years Ended December 31, 1995 and December 31, 1994

	1995		1994	
	Unrestricted	Permanently Restricted	Unrestricted	Permanently Restricted
<b>Operating Activities</b>				
Increase (decrease) in net assets	\$16,969	(\$3,577)	\$58,217	(\$5,862)
Adjustments in reconcile net assets to net cash provided by operating activities				
Depreciation		3,521		4,719
Loss on fixed assets junked				442
Increase( decrease) in grants receivable	(42,189)		(3,421)	
Decrease in prepaid insurance	1,162			
Increase in accounts payable	21,353		(7,339)	
Increase in accrued vacation	2,087			
Net cash provided by operating activities	(1,738)		24,428	
Cash, beginning of year	24,887		24,428	
Cash, end of year	<u>23,149</u>		<u>24,887</u>	

The accompanying notes are an integral part of these statements.



Louisiana Council on Child Abuse, Inc.  
Statement of Functional Expenses  
Year Ended December 31, 1995

	Adminis- tration	Fund Raising	Total	Program Services					Total					
				Statewide Volunteer Network	Framed Support and Children's Programs	Community Education and Training	New Preventive Programs	Total						
Payroll expenses														
Admin	103,336	196,376	299,712	349,336	344,336	104,672	111,928	11,24,428	122,192					
Payroll taxes	4,591	2,925	7,516	3,271	3,203	3,473	3,178	13,335	20,437					
Worker's compensation insurance	316	312	628	313	311	117	458	1,418	2,146					
Bonuses	788	788	1,576	788	783	483	1,755	8,300	13,131					
Employer benefits	2,072	949	3,021	3,368	3,203	483	1,755	8,300	13,131					
Contract labor	—	—	—	—	—	—	—	—	—					
<u>Total payroll expenses</u>	<u>107,131</u>	<u>342,330</u>	<u>449,461</u>	<u>356,002</u>	<u>351,833</u>	<u>112,755</u>	<u>117,114</u>	<u>44,686</u>	<u>171,569</u>					
Professional fees	860	1,718	2,578	100	120	401	401	811	2,447					
Consultants	8,946	8,946	17,892	3,992	—	4,121	11,011	23,037	30,475					
Audit	3,000	3,000	6,000	—	—	—	—	—	3,000					
Bank charges	786	—	786	3	—	—	—	81	200					
Dues and subscriptions	464	14	478	474	1,003	149	171	2,444	3,126					
Office supplies	—	2	2	76	2,297	4,790	68	2,809	7,811					
Program supplies	30	1,306	1,336	4,719	3,997	3,995	3,995	20,177	28,081					
Printing	941	—	941	8,414	4,286	392	—	12,502	14,309					
Telephone	123	199	322	269	1,029	3,665	478	5,341	6,444					
Postage/mailing	—	4,444	4,444	—	3,723	2,381	—	6,103	8,484					
Major of Child	6,116	—	6,116	—	1,405	2,092	—	3,497	4,897					
Occupancy	3,119	—	3,119	61	76	2,399	—	2,476	2,996					
Postage and Express	—	—	—	—	—	—	—	—	—					
Equipment rental and maintenance	12	12	24	2,071	4,409	3,499	2,192	11,169	14,261					
Facilities materials	191	36	227	603	129	8,317	154	9,208	12,442					
Travel	2	3,342	3,344	213	193	68	287	1,223	1,781					
Conferece/conferences meetings	—	—	—	—	1,687	—	—	1,687	3,374					
Volunteer recognition	719	1,297	2,016	—	—	—	—	—	2,016					
Training - staff	134	—	134	—	—	—	—	—	134					
Miscellaneous	88,828	88,828	177,656	23,683	28,638	82,212	64,632	209,163	286,791					

The accompanying notes are an integral part of these statements.

Louisiana Council on Child Abuse, Inc.  
 Statement of Functional Expenses  
 Year Ended December 31, 1994

	Program Activities						Total	Total	Total
	Administrative	Facilities	Statewide Violence Network	Parent Support and Children's Programs	Community Education and Training	New Prevention Programs			
<b>Payroll expenses</b>									
Salaries	\$55,528	\$20,812	\$40,341	\$20,800	\$41,887	\$19,128	\$194,074	\$194,074	\$194,074
Payroll taxes	2,071	1,778	4,071	3,282	1,525	3,115	12,488	16,871	16,871
Workers' compensation insurance	1,098	728	482	629	381	341	1,731	3,094	3,094
Insurance	1,146	1,148			198		158	158	1,318
Employee benefits	1,203	528	893	890	328	649	2,672	4,923	4,923
Contract labor	304	304	624	624	383	313	1,883	1,883	1,883
<b>Total payroll expenses</b>	31,358	21,836	41,678	43,215	34,775	38,449	415,538	415,538	415,538
<b>Professional fees</b>									
Consultants	1,144	878	209		687	129	428	3,258	3,258
Audit	1,007	1,007	6,732	31,830	11,146	2,669	61,563	61,563	61,563
Bank charges	155	155			28		28	183	183
Donor and volunteer expenses	685	442	1,074	1,287	545	37	37	37	185
Office supplies	108	108	76	15,871	1,164	235	4,061	3,208	3,208
Program supplies	295	3,852	1,793	3,899	5,028	3,893	17,629	17,629	17,629
Printing	1,159	1,159	16,149	4,266			13,118	13,208	13,208
Telephone	228	708	1,031	2,382	3,798	871	9,403	10,604	10,604
Travel/traveling	1,872	1,872	1,937	1,882	2,275	1,871	10,452	14,326	14,326
Printers and others	811	755	1,583	221	3,424	286	3,692	3,490	3,490
Employee rental and maintenance	124	842	1,139	1,128	2,988	230	4,028	7,408	7,408
Business materials		3	3,297	81		4	1,562	1,565	1,565
Public relations and advertising			307	688	1,354	61	179	179	179
Taxes	418	1,784	2,212	3,785	5,354	6,897	9,898	12,102	12,102
Conferences/convention meetings	31	9,284	9,317	9,288	14,097	386	23,449	34,798	34,798
Volunteer recognition	31	295	1,645	185	31	283	3,415	1,982	1,982
Training - staff	1,920	29	832	398	1,244	89	3,779	4,911	4,911
Miscellaneous	312	312	3,263	282	342	342	3,331	3,683	3,683
<b>Total</b>	<b>48,872</b>	<b>47,881</b>	<b>89,481</b>	<b>111,612</b>	<b>73,211</b>	<b>71,881</b>	<b>587,321</b>	<b>587,321</b>	<b>587,321</b>

The accompanying notes are an integral part of these statements.

**Louisiana Council on Child Abuse, Inc.**  
**Notes to Financial Statements**  
**December 31, 1992**

**Note 1-Summary of Accounting Policies**

**A. Nature and Purpose**

The Louisiana Council on Child Abuse (LCCA) was formed in 1986 as a result of a merger between two groups that shared a common purpose working toward the prevention and treatment of child abuse and neglect. Today, LCCA continues to serve as the state affiliate of National Parents Anonymous and The National Committee to Prevent Child Abuse.

Over 700 volunteers across the state work in their commitment to implement the various programs offered by the Council. Throughout its history, LCCA has gained funding from private and government grants, and individual and corporate donations. Since 1990, LCCA has stabilized its funding base with approximately 60% grant funding and 40% unrestricted donations. To further stabilize its funding base, LCCA established an Endowment Fund in 1992, which to date has over one million dollars pledged.

The goals for LCCA are to develop the statewide prevention network throughout the state, to have a public that is aware of the pervasiveness of child abuse and its role in prevention, and to offer community-based prevention programs and support groups throughout Louisiana.

**B. Method of Accounting**

The financial statements of the LCCA are prepared on the accrual basis recording revenue when earned and expenditures when incurred.

**C. Use of Estimates**

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

**D. Presentation of Statement of Cash Flows**

For purposes of the Statement of Cash Flows, the organization considers all certificates of deposits to be cash equivalents.

**Lebanon Council on Child Abuse, Inc.**  
**Notes to Financial Statements**  
**December 31, 1995**

**Note 1-Summary of Accounting Policies (Continued)**

**E. Income Taxes**

No provision is made for income taxes as LCCA is a tax exempt, not-for-profit organization under Section 509(c)(3) of the Internal Revenue Code. The organization is not classified as a private foundation.

**F. Fixed Assets**

Equipment is recorded at cost, or, if donated, at fair market value at date of donation. Depreciation is provided for, principally on a straight-line basis in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives.

**G. Reclassification**

Certain amounts previously reported for the prior year have been reclassified to conform with 1995 presentation.

**Note 2-Lease Commitment**

The Organization conducts its operations in a leased building under an operating lease. The lease began September 15, 1994 and ends September 30, 1997, with rent at \$2,018 per month. Future minimum rentals remain amount to \$21,376 at December 31, 1995.

Rental expense for all operating leases for the years ending December 31, 1995 and 1994, was \$12,215 and \$14,226, respectively.

**Note 3-Fair Value of Financial Instruments**

The financial statements include various estimated fair value information as of December 31, 1995, as required by Statement of Financial Accounting Standards 157, disclosure about Fair Market Value of Financial Instruments. Such information, which pertains to the Council's financial instruments, is based on the requirements set forth in that Statement and does not purport to represent the aggregate net fair value of the Council.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate the value.

**Cash**

The carrying amount reported in the balance sheet for cash approximates fair value.

Louisiana Council on Child Abuse, Inc.  
Notes to Financial Statements  
December 31, 1998

**Note 4 - Future Contributions**

- A. The Louisiana Council on Child Abuse (LCCA) was named as a ten percent (10%) beneficiary of the James M. Bernaud, Jr. Charitable Remainder Annuity Trust. The Trust was established on December 28, 1993 and has a term of twenty (20) years. The Trust has been initially funded with a donation of stock valued at five million dollars (\$5,000,000). City National Bank of Baton Rouge, Louisiana has been appointed to administer the Trust.

At the end of the twenty (20) year term, the Trust will terminate and the trustee will distribute to LCCA cash in an amount equivalent to ten percent (10%) of the then principal plus income of the Trust. The Trust is irrevocable and the Trust instrument is irrevocable.

The Trust agreement contains various restrictions, among which are restrictions regarding funding of the Trust, terms of the Trust, payment of annuity, proration of the annuity amount, distribution to charity, prohibited transactions, successor trustee, governing law, limited power of amendment, and investment of trust assets.

- B. LCCA made an agreement as of February 17, 1993, with the Baton Rouge Area Foundation ("Foundation") to establish an endowed fund. The Fund is established on the books of the Foundation and is known as the Louisiana Council on Child Abuse Fund. The Fund will be held within an Investment Fund which is managed by the Foundation for income and growth. Quarterly income may be distributed to LCCA or reinvested in total or in part.

The agreement contains various restrictions, among which are restrictions regarding management fees, fund uses, and the status of the Foundation as an entity.

Corpus value of the Fund at December 31:

1995	\$12,069
1994	10,351

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HAWTHORN, WAYMOUTH & CARROLL, L.L.P.  
MEMBERS

May 23, 1996

**Report on Schedule of Federal and State Awards**

Board of Directors  
Louisiana Council on Child Abuse, Inc.  
Baton Rouge, Louisiana

**Members of the Board:**

We have audited the basic financial statements of the Louisiana Council on Child Abuse, Inc. (a nonprofit organization), as of and for the year ended December 31, 1995, and have issued our report thereon dated May 23, 1996. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic 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 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 Council taken as a whole. The 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 stated, in all material respects, in relation to the basic financial statements taken as a whole.

Yours truly,

*Hawthorn, Waymouth & Carroll, L.L.P.*

**Louisiana Council on Child Abuse, Inc.**  
**Schedule of Federal and State Awards**  
**Year Ended December 31, 1985**

<b>FEDERAL AND STATE PROGRAMS</b>	<b>C.F.D.A.F.</b>	<b>Pass-Through Grantor's Number</b>	<b>Disbursements Expenditures</b>
<b>Department of Health and Human Services/ Department of Social Services</b>			
LCCA, Development and Maintenance Activities	93-670	370-7137	\$18,419
LCCA, Development and Maintenance Activities	93-670	370-9409	17,582
Subtotal			35,981
<b>Department of Justice/Louisiana Commission on Law Enforcement and Administration of Criminal Justice</b>			
Helpline for Victims of Child Abuse	93-575	93-CR-V-3-0036	13,455
Helpline for Victims of Child Abuse	93-575	C94-CR-V-3-0581	48,588
Subtotal			62,043
<b>Department of Health and Human Services/ Public Health Service/Health Resources and Services Administration/Maternal and Child Health Branch</b>			
Subtotal	93-110	9-68C-218613-00-0	48,800
			48,800
<b>State of Louisiana Department of Health and Hospitals Maternal and Child Health Program</b>			
Subtotal		336-8132	41,892
			41,892
<b>Department of Health and Human Services/ Louisiana Department of Social Services/ Office of Community Services</b>			
Children's Trust Fund		370-6186	9,060
Children's Trust Fund		370-9082	31,300
Regional Coordinator/New Orleans/Region I		370-6113	1,248
Regional Coordinator/Shreveport/Region VII		670-6189	1,248
Subtotal			25,748
<b>Department Health and Human Services/ Louisiana Department of Social Services/ Office of Community Services/Children's Trust Fund Health Families</b>			
Subtotal		370-5807	11,729
			11,729
<b>Louisiana Department of Social Services/ Office of Community Services/Children's Trust Fund Regional Coordinators/First Steps</b>			
		370-6113	3,370
			3,370
<b>Grand total</b>			<b>228,883</b>

HANFORD, WATKINS & CARROLL, L.L.P.

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DAVID W. CARROLL, F. III  
J. CHRISTOPHER WATKINS, F. III  
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May 23, 1996

**Report on Internal Control Structure Based on an  
Audit of Financial Statements Performed in  
Accordance with Government Auditing Standards**

Board of Directors  
Louisiana Council on Child Abuse, Inc.  
Baton Rouge, Louisiana

**Conclusion:**

We have audited the financial statements of the

**Louisiana Council on Child Abuse, Inc.**  
Baton Rouge, Louisiana

as of and for the year ended December 31, 1995, and have issued our report thereon dated May 23, 1996.

We conducted our audit in accordance with generally accepted auditing standards, and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audit of the financial statements of the Louisiana Council on Child Abuse, Inc. for the year ended December 31, 1995, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

The management of the Louisiana Council on Child Abuse, 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 internal control 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, we have classified significant internal control structure policies and procedures in the following categories:

Accounting Controls

General Ledger  
Cash Receipts  
Accounts Receivable  
Purchasing and Receiving  
Cash Disbursements  
Accounts Payable  
Payroll  
Property and Equipment

For all of the internal control structure categories listed above, 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a 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 basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the use of the Board of Directors, management, the Louisiana Commission on Law Enforcement and Administration of Criminal Justice, the Department of Justice, the Louisiana Department of Social Services, and the U. S. Department of Health and Human Services.

Very truly,  
*Hawthorn, Waymire & Co., P.C.*

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May 23, 1996

**Report on Compliance with Laws, Regulations, Contracts, and  
Grants Based on an Audit of Financial Statements Performed in  
Accordance with Government Auditing Standards**

Board of Directors  
Louisiana Council on Child Abuse, Inc.  
Baton Rouge, Louisiana

Gentlemen:

We have audited the financial statements of the

**Louisiana Council on Child Abuse, Inc.**  
Baton Rouge, Louisiana

as of and for the year ended December 31, 1995, and have issued our report thereon dated  
May 23, 1996.

We conducted our audit in accordance with generally accepted auditing standards and  
**Government Auditing Standards**, issued by the Comptroller General of the United States.  
Those standards require that we plan and perform the audit to obtain reasonable assurance  
about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Louisiana  
Council on Child Abuse, Inc. is the responsibility of the Council's management. As part of  
obtaining reasonable assurance about whether the financial statements are free of material  
misstatement, we performed tests of the Louisiana Council on Child Abuse, Inc.'s 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 results of our tests disclosed no instances of noncompliance that are required to be reported herein under Government Auditing Standards.

This report is intended for the information of the Board of Directors, management, the Louisiana Commission on Law Enforcement and Administration of Criminal Justice, the Department of Justice, the Louisiana Department of Social Services, and the U. S. Department of Health and Human Services.

Yours truly,

*Hanther, Waymouth & Conell, L.L.C.*

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MEMBER

May 23, 1996

**Report on The Internal Control Structure  
Used in Administering Federal Awards**

Board of Directors  
Louisiana Council on Child Abuse, Inc.  
Baton Rouge, Louisiana

**Gentlemen:**

We have audited the financial statements of the

**Louisiana Council on Child Abuse, Inc.  
Baton Rouge, Louisiana**

as of and for the year ended December 31, 1995, and have issued our report thereon dated May 23, 1996. We have also audited the Louisiana Council on Child Abuse, Inc.'s compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated May 23, 1996.

We conducted our audits 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, Audit 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 and about whether the Louisiana Council on Child Abuse, Inc. complied with laws and regulations, noncompliance with which would be material to a major federal program.

In planning and performing our audits for the year ended December 31, 1995, we considered the Council's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinions on the Council's financial statements and on its compliance with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal programs. We have addressed policies and procedures relevant to our audit of the financial statements in a separate report dated May 23, 1996.

The management of the Louisiana Council on Child Abuse, 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, 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 awards 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, we have classified the significant internal control structure policies and procedures used in administering federal programs in the following categories.

#### **Accounting Controls**

- General Ledger
- Cash Receipts
- Accounts Receivable
- Purchasing and Receiving
- Cash Disbursements
- Accounts Payable
- Payroll
- Property and Equipment

#### **Administrative Controls**

- Political Activity
- Debt Issues
- Civil Rights
- Cash Management
- Relocation Assistance and  
Real Property Acquisition
- Federal Financial Reports
- Allowable costs/Cost Principles
- Administrative Requirements
- Drug Free Workplace

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

During the year ended December 31, 1965, the Louisiana Council on Child Abuse, Inc. expended 79 percent of its total federal awards under major programs.

We performed tests of controls, as required by OMB Circular A-135, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we 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 matching that are applicable to each of the Council's major programs which are identified in the accompanying schedule of federal and state awards. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our 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 awards program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

This report is intended for the information of the Board of Directors, management, the Louisiana Commission on Law Enforcement and Administration of Criminal Justice, the Department of Justice, the Louisiana Department of Social Services, and the U. S. Department of Health and Human Services.

Yours truly,

*Anthony W. Wagnon, Jr. & Co., L.L.P.*

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May 23, 1996

**Unqualified Opinion on Compliance with Specific  
Requirements Applicable to Major Programs**

Board of Directors  
Louisiana Council on Child Abuse, Inc.  
Baton Rouge, Louisiana

Gentlemen:

We have audited the financial statements of the Louisiana Council on Child Abuse, Inc. as of and for the year ended December 31, 1995, and have issued our report thereon dated May 23, 1996.

We have also audited the Louisiana Council on Child Abuse, Inc.'s compliance with the requirements governing types of services allowed or unallowed; eligibility; matching; level of effort; or earmarking; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of federal and state financial assistance, for the year ended December 31, 1995. The management of the Louisiana Council on Child Abuse, Inc. is responsible for the Council's compliance with these requirements. Our responsibility is to express an opinion on compliance with these requirements based on our audit.

We conducted our audit of compliance with these requirements in accordance with generally accepted auditing standards and Comptroller Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Organizations." These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Louisiana Council on Child Abuse, Inc.'s compliance with these requirements. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the Louisiana Council on Child Abuse, Inc. complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching; level of effort, or earmarking; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended December 31, 1985.

This report is intended for the information of the Board of Directors, management, the Louisiana Commission on Law Enforcement and Administration of Criminal Justice, the Department of Justice, the Louisiana Department of Social Services, and the U. S. Department of Health and Human Services.

Yours truly,  
*Walter W. Wraymouth a. Carroll, C.P.A.*



With respect to the items tested, the results of our 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 our attention that caused us to believe that the Louisiana Council on Child Abuse, Inc. had not complied, in all material respects, with these requirements.

This report is furnished for the information of the Board of Directors, management, the Louisiana Commission on Law Enforcement and Administration of Criminal Justice, the Department of Justice, the Louisiana Department of Social Services, and the U. S. Department of Health and Human Services.

Yours truly,

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May 23, 1996

**Report on Compliance with Specific Requirements  
Applicable to Nonmajor Program Transactions**

Board of Directors  
Louisiana Council on Child Abuse, Inc.  
Baton Rouge, Louisiana

**Opinion:**

We have audited the financial statements of the Louisiana Council on Child Abuse, Inc. as of and for the year ended December 31, 1995, and have issued our report thereon dated May 23, 1996.

In connection with our audit of the financial statements of the Louisiana Council on Child Abuse, Inc., Baton Rouge, Louisiana and with our consideration of the Louisiana Council on Child Abuse, Inc.'s internal control structure used to administer federal programs, as required by the Office of Management and Budget Circular A-133, "Audit of Institutions of Higher Education and Other Nonprofit Organizations," we selected certain transactions applicable to certain nonmajor federal programs for the year ended December 31, 1995. As required by OMB Circular A-133, we performed auditing procedures to test compliance with the requirements governing types of services allowed or disallowed and eligibility that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Louisiana Council on Child Abuse, Inc.'s compliance with these requirements. Accordingly we do not express such an opinion.

With respect to the items tested, the results of our procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Louisiana Council on Child Abuse, Inc. had not complied, in all material respects, with these requirements.

This report is intended for the information of the Board of Directors, management, the Louisiana Commission on Law Enforcement and Administration of Criminal Justice, the Department of Justice, the Louisiana Department of Social Services, and the U. S. Department of Health and Human Services.

Yours truly,  
*Heathorn, Waynorth & Carroll, L.L.P.*